

FISCAL PROCEDURES APPROVED
 PAUL ANGUILO, CPA, AUDITOR-CONTROLLER
 BY *[Signature]* 11/25/16

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

535



FROM: Purchasing and Fleet Services Department

SUBMITTAL DATE:
 December 7, 2015

SUBJECT: Approval of FY 2016/17 Supply Services ISF Rate Changes

RECOMMENDED MOTION: That the Board of Supervisors approve the proposed rates for Supply Services as shown in Attachments A and B.

BACKGROUND:
Summary

This Form 11 is for the purpose of establishing Supply Services rates for Fiscal Year 2016/17.

(Continued on Page 2)

[Signature: 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	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	
SOURCE OF FUNDS:				Budget Adjustment: No	
				For Fiscal Year: 2016/17	

C.E.O. RECOMMENDATION:

APPROVE

BY: *[Signature: Ivan M. Chand]*
 Ivan M. Chand 1/26/2016

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: February 2, 2016
 xc: Purchasing

Kecia Harper-Ihem
 Clerk of the Board
 BY: *[Signature]*
 Deputy

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

Prev. Agn. Ref.: _____ District: ALL Agenda Number: _____

3-27

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of FY 2016/17 Supply Services ISF Rate Changes**

DATE: December 7, 2015

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

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 2016/17 rates is cost of delivery spread by the percentage of sales from fiscal year 2014/15 to each customer.

In fiscal year 2016/17, Supply Services will charge delivery costs of \$280,746. Attachment B illustrates charges to County departments.

Special pick-up and delivery requests will be charged at \$68.25 per hour as shown in Attachment A.

Storage

Monthly rates for a storage container are \$73.93 for a 20'x8' container and \$147.87 for a 40'x8' container as shown in Attachment A.

Markup – Supplies

In fiscal year 2015/16, 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 2015/16.

Attachment

Attachments: Attachments A and B – Proposed FY 2016/17 Rates for Supply Services

Internal Audits Review Comments:

The Auditor-Controller approved the FY 2016-17 rate methodology with the understanding that a plan will be developed and operative by January 2017 to address concerns involving required reserves and working capital.

Attachment A
Supply Services Rate Structure
July 1, 2016

Supply Services Markup Rates

	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014
Markup Not to Exceed	10.0%	10.0%	10.0%	10.0%
Pickup and Delivery Service per Hour	\$ 68.25			
Container Rental per Month:				
40' x 8'	\$147.87			
20' x 8'	\$73.93			

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 and FY 2016, Supply Services 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.

For FY 2017 a new rate is being established for special pick up and delivery services.

**Attachment B
Supply Services
Delivery Charges**

Dept	Dept Name	FY 2015 Stores County	FY 2015 Moving	FY 2015 Systems Furniture	FY 2015 Total Billed	FY 2017 Stores Percentage	FY 2017 Delivery Charge Allocation	FY 2016 Delivery Charge Allocation	FY 2015 Delivery Charge Allocation
Total Delivery Costs to Allocate									
		13,879.10	-	-	13,879.10	0.16%	438	332	273
10001	BOARD OF SUPERVISORS	2,995.05	-	-	2,995.05	0.03%	94	102	66
10002	CLERK OF THE BOARD	3,751.98	-	-	3,751.98	0.04%	118	128	86
11001	COUNTY EXECUTIVE OFFICE	1,435.69	-	-	1,435.69	0.02%	45	30	18
11044	GRAND JURY ADMIN	66,236.15	-	7,428.22	73,664.37	0.74%	2,089	2,279	2,420
11301	HUMAN RESOURCES 1	552.71	-	-	552.71	0.01%	17	39	53
11303	PERSONNEL-RIDESHARE	22,886.40	-	-	22,886.40	0.26%	722	259	967
11308	WORKERS COMP DIVISION	-	-	-	-	0.00%	-	198	257
11309	MAL PRACTICE INSURANCE	10,558.57	-	-	10,558.57	0.12%	333	176	136
11310	RISK MANAGEMENT-LIABILITY INS.	3,760.06	-	-	3,760.06	0.04%	119	163	261
11313	SAFETY OFFICE	7,450.82	-	-	7,450.82	0.08%	235	386	409
11318	HUMAN RESOURCES/TAP	34,694.80	-	-	34,694.80	0.39%	1,094	1,091	1,233
11320	HUMAN RESOURCES EXCLUSIVE CARE	4,425.51	-	-	4,425.51	0.05%	140	136	209
11322	HUMAN RESOURCES/IEAP	8,433.49	-	-	8,433.49	0.09%	266	303	352
11329	HR OCCUPATIONAL HEALTH & WELLNESS	36,951.64	-	7,037.99	43,989.63	0.42%	1,166	1,266	1,565
12001	ASSESSOR 1	65,125.89	-	19,482.61	84,608.50	0.73%	2,054	1,943	2,291
12002	COUNTY CLERK-RECORDER	2,138.66	-	-	2,138.66	0.02%	67	56	91
12003	CLERK RECORDER	1,169.13	-	-	1,169.13	0.01%	37	7	34
12004	ASSESSOR 2	30,748.91	-	-	30,748.91	0.35%	970	873	1,276
13001	AUDITOR-CONTROLLER	57,543.89	-	-	57,543.89	0.65%	1,815	1,413	1,466
14001	TREASURER-TAX COLLECTOR	37,163.05	-	-	37,163.05	0.42%	1,172	862	1,053
15001	COUNTY COUNSEL	42,932.08	-	-	42,932.08	0.48%	1,354	314	383
17001	REGISTRAR OF VOTERS	27,173.72	-	-	27,173.72	0.31%	857	837	1,540
19001	EDA 1	2,338.54	-	-	2,338.54	0.03%	74	56	235
19002	HUD-CDBG HOME GRANTS	35,444.84	-	-	35,444.84	0.40%	1,118	1,121	1,264
19003	EDA WORKFORCE DEVELOPMENT CNTR	-	-	-	-	0.00%	-	4,569	-
19009	SUCCESSOR AGENCY TO THE RDA	3,534.00	-	-	3,534.00	0.04%	111	78	-
19010		1,436.56	-	3,635.23	5,071.79	0.02%	45	29	-
19107		2,410.02	-	-	2,410.02	0.03%	76	54	42
19201	NATIONAL DATE FESTIVAL	-	-	-	-	0.00%	-	2	-
19301		274,367.58	-	-	274,367.58	3.08%	8,655	6,418	7,775
22001	DISTRICT ATTORNEY	111,283.67	-	190,585.82	301,869.49	1.25%	3,510	4,004	4,770
23001	CHILD SUPPORT SERVICES	77,004.22	5,323.32	-	82,327.54	0.87%	2,429	2,793	3,352
24001	PUBLIC DEFENDER	-	-	-	-	0.00%	-	17	40
24013	PUBLIC DEFENDER (CAPITAL DEFENDERS)	33,619.66	-	12,810.97	46,430.63	0.38%	1,061	607	773
25001	SHERIFF'S DEPT 3								

**Attachment B
Supply Services
Delivery Charges**

Dept	Dept Name	FY 2015 Stores County	FY 2015 Moving	FY 2015 Systems Furniture	FY 2015 Total Billed	FY 2017 Stores Percentage	FY 2017 Delivery Charge Allocation	FY 2016 Delivery Charge Allocation	FY 2015 Delivery Charge Allocation
Total Delivery Costs to Allocate									
25002	SHERIFF INFORMATION SERVICES	118,197.14	7,097.76	16,944.38	142,239.28	1.33%	3,728	3,231	4,225
25003	SHERIFF'S DEPT 2	556,457.53	-	210,616.35	767,073.88	6.25%	17,553	14,471	16,627
25004	SHERIFF-CORRECTIONS	617,015.64	-	62,006.02	679,021.66	6.93%	19,463	15,001	19,944
25005	SHERIFF-COURT SERVICES	39,654.48	-	5,351.11	45,005.59	0.45%	1,251	1,344	1,121
25006	SHERIFF'S DEPT 1	386.59	-	-	386.59	0.00%	12	51	-
25007	SHERIFF - CTC	36,781.00	-	-	36,781.00	0.41%	1,160	1,249	1,424
25009	SHERIFF-ANTI DRUG ABUSE	-	-	-	-	0.00%	-	-	11
25010	CORONER	13,319.42	-	-	13,319.42	0.15%	420	414	400
25011	PUBLIC ADMINISTRATOR	9,962.92	-	-	9,962.92	0.11%	314	199	321
25051	SHERIFF-CAL ID	17,091.20	-	-	17,091.20	0.19%	539	348	926
26001	PROBATION	124,916.37	-	-	124,916.37	1.40%	3,940	2,786	2,493
26002	PROBATION- 1	227,072.83	-	775,131.40	1,002,204.23	2.55%	7,163	6,288	6,877
26007	PROBATION DEPARTMENT	62,886.02	1,774.44	-	64,660.46	0.71%	1,984	1,869	2,442
27002	FIRE DEPARTMENT 1	427,186.39	-	6,826.30	434,012.69	4.80%	13,475	10,204	13,341
27004	FIRE DEPARTMENT 2	2,983.01	-	-	2,983.01	0.03%	94	18	25
28001	AGRICULTURAL COMMISSIONER	15,865.67	-	-	15,865.67	0.18%	500	345	461
31002	TLMA 1	10,848.36	-	-	10,848.36	0.12%	342	201	232
31003	TLMA 2	4,782.76	-	-	4,782.76	0.05%	151	120	100
31005	TLMA 3	-	-	-	-	0.00%	-	6	19
31101	BUILDING AND SAFETY	3,620.35	-	-	3,620.35	0.04%	114	86	130
31201	PLANNING	5,832.65	-	-	5,832.65	0.07%	184	132	118
31301	TRANSPORTATION DEPT 4	54,410.05	-	-	54,410.05	0.61%	1,716	1,428	1,936
31302	TRANSPORTATION DEPT 1	3,258.92	-	-	3,258.92	0.04%	103	92	90
31307	TRANSPORTATION DEPT 3	1,589.50	-	-	1,589.50	0.02%	50	47	70
31308	ALUC	467.50	-	-	467.50	0.01%	15	5	23
31401	TLMA CODE ENFORCEMENT	11,572.64	-	-	11,572.64	0.13%	365	267	399
41001	MENTAL HEALTH-PUBLIC GUARD	19,790.02	-	-	19,790.02	0.22%	624	384	558
41002	MENTAL HEALTH-TREATMENT PROG.	697,812.25	13,308.12	1,479,460.08	2,190,580.45	7.84%	22,012	11,691	12,506
41003	MENTAL HEALTH-DETENTION	34,468.77	-	-	34,468.77	0.39%	1,087	886	654
41004	MENTAL HEALTH-ADMINISTRATION	177,171.28	-	8,160.43	185,331.71	1.99%	5,589	5,304	5,251
41005	MENTAL HEALTH-SUBSTANCE ABUSE	92,851.68	-	-	92,851.68	1.04%	2,929	2,098	2,685
42001	PUBLIC HEALTH	305,794.30	-	-	305,794.30	3.44%	9,646	7,952	9,698
42002	CALIFORNIA CHILDRENS SERVICES	81,412.47	-	-	81,412.47	0.91%	2,568	2,546	1,845
42003	AGENCY ADMINISTRATION	-	-	-	-	0.00%	-	-	56
42004	ENVIRONMENTAL HEALTH	40,393.64	-	112,536.93	152,930.57	0.45%	1,274	1,379	2,163

**Attachment B
Supply Services
Delivery Charges**

Dept	Dept Name	FY 2015		FY 2015		FY 2015 Total Billed	FY 2017 Stores Percentage	FY 2017		FY 2016		FY 2015	
		Stores County	Moving	Systems Furniture	FY 2015 Total Billed			Delivery Charge	Allocation	Delivery Charge	Allocation	Delivery Charge	Allocation
Total Delivery Costs to Allocate													
42006	ANIMAL CONTROL SERVICES	76,249.08	-	48,980.33	125,229.41	0.86%	2,405	2,476	2,476	1,928	2,476	1,928	2,476
42007	PUBLIC HEALTH AMBULATORY CARE	160,354.85	-	11,038.99	171,393.84	1.80%	5,058	1,576	1,576	3,520	1,576	3,520	1,576
43001	REGIONAL MEDICAL CENTER	481,795.22	5,323.32	156,850.89	643,969.43	5.41%	15,198	11,168	11,168	19,043	11,168	19,043	11,168
43002	MEDICAL INDIGENT	4,217.89	-	-	4,217.89	0.05%	133	222	222	260	222	260	222
43003	RCRMC DETENTION HEALTH	19,077.69	-	-	19,077.69	0.21%	602	201	201	179	201	179	201
45001	WASTE MANAGEMENT	27,998.09	-	-	27,998.09	0.31%	883	801	801	710	801	710	801
51001	DPSS	2,399,365.96	-	3,752,007.62	6,151,373.58	26.96%	75,686	55,091	55,091	54,823	55,091	54,823	55,091
51006	DPSS HOMELESS	2,783.06	-	-	2,783.06	0.03%	88	102	102	424	102	424	102
52001	COMMUNITY ACTION 1	22,784.23	-	19,352.97	42,137.20	0.26%	719	798	798	1,339	798	1,339	798
52002	COMMUNITY ACTION 2	16,989.74	-	-	16,989.74	0.19%	536	281	281	98	281	98	281
52003	COMMUNITY ACTION 3	10,478.05	-	-	10,478.05	0.12%	331	147	147	285	147	285	147
53001	OFFICE ON AGING	68,381.70	-	-	68,381.70	0.77%	2,157	1,262	1,262	1,521	1,262	1,521	1,262
54001	VETERANS SERVICES	14,046.37	-	-	14,046.37	0.16%	443	395	395	164	395	164	395
63001	COOPERATIVE EXT.	13,509.44	-	-	13,509.44	0.15%	426	249	249	474	249	474	249
72001	FACILITIES MANAGEMENT 72001	337,051.67	-	-	337,051.67	3.79%	10,632	7,217	7,217	7,898	7,217	7,898	7,217
72002	FACILITIES MANAGEMENT 72002	4,896.60	-	-	4,896.60	0.06%	154	132	132	216	132	216	132
72003	FACILITIES MANAGEMENT 72003	16,605.54	-	-	16,605.54	0.19%	524	384	384	494	384	494	384
72004	FACILITIES MANAGEMENT 72004	12,574.24	-	-	12,574.24	0.14%	397	(4,227)	(4,227)	230	(4,227)	230	(4,227)
72005	FACILITIES MANAGEMENT 72005	7,342.01	-	-	7,342.01	0.08%	232	221	221	220	221	220	221
72006	EDA-ENERGY	367.22	-	-	367.22	0.00%	12	131	131	8	131	8	131
72007	FACILITIES MANAGEMENT 72007	2,379.49	-	-	2,379.49	0.03%	75	46	46	66	46	66	46
72008	FACILITIES MANAGEMENT 72008	-	-	229,065.39	229,065.39	0.00%	-	-	-	-	-	-	-
73001	PURCHASING 1	6,646.51	-	-	6,646.51	0.07%	210	125	125	100	125	100	125
73003	PRINTING SERVICES 1	151,423.75	-	-	151,423.75	1.70%	4,777	4,330	4,330	4,865	4,330	4,865	4,330
73005	FLEET SERVICES	8,987.01	-	-	8,987.01	0.10%	283	270	270	459	270	459	270
73006	CENTRAL MAIL SERVICES	1,676.52	-	-	1,676.52	0.02%	53	30	30	39	30	39	30
74001	INFORMATION TECHNOLOGY 1	22,191.56	-	-	22,191.56	0.25%	700	683	683	635	683	635	683
74003	INFORMATION TECHNOLOGY 3	-	-	-	-	0.00%	-	-	-	36	-	36	-
74006	RCIT COMMUNICATION SOLUTIONS	-	-	-	-	0.00%	-	-	-	71	-	71	-
915202	CSA- ADMIN	3,023.87	-	-	3,023.87	0.03%	95	478	478	513	478	513	478
931104	REGIONAL PARKS DISTRICT 5	1,048.59	-	-	1,048.59	0.01%	33	194	194	184	194	184	194
931119	REGIONAL PARKS DISTRICT 3	8,720.10	-	-	8,720.10	0.10%	275	-	-	19	-	19	-
931150	PARKS	-	-	-	-	0.00%	-	-	-	-	-	-	-
931155	PARKS DISTRICT	7,753.84	-	-	7,753.84	0.09%	245	-	-	-	-	-	-
931156	COMMUNITY CENTERS	2,392.18	-	-	2,392.18	0.03%	75	-	-	-	-	-	-

**Attachment B
Supply Services
Delivery Charges**

Dept	Dept Name	FY 2015 Stores County	FY 2015 Moving	FY 2015 Systems Furniture	FY 2015 Total Billed	FY 2017 Stores Percentage	FY 2017 Delivery Charge Allocation	FY 2016 Delivery Charge Allocation	FY 2015 Delivery Charge Allocation
Total Delivery Costs to Allocate									
931170	HABITAT AND OPEN SPACE MGMT	2,311.95	-	-	2,311.95	0.03%	73	79	42
931180	PARK DISTRICT-BOXING CLUB	629.62	-	-	629.62	0.01%	20	5	9
931181	PARKS	143.89	-	-	143.89	0.00%	5	-	-
931182	PARKS	-	-	-	-	0.00%	-	59	3
931183	PARKS	645.82	-	-	645.82	0.01%	20	28	2
931184	PARKS	320.71	-	-	320.71	0.00%	10	153	397
931186	REGIONAL PARKS	9,470.32	-	-	9,470.32	0.11%	299	147	182
931187	PARKS (JURUPA AQUATIC CENTER-1)	1,298.74	-	-	1,298.74	0.01%	41	53	6
931188	JAC-COVE	4,139.57	-	-	4,139.57	0.05%	131	60	31
931190		1,108.95	-	-	1,108.95	0.01%	35	25	-
931200	REGIONAL PARK DISTRICT 1	3,842.32	-	-	3,842.32	0.04%	121	203	3
931210	PARKS - PLANNING	1,285.63	-	-	1,285.63	0.01%	41	9	-
931220	REGIONAL PARKS DISTRICT 3	848.24	-	-	848.24	0.01%	27	16	48
931230	REGIONAL PARKS	-	-	-	-	0.00%	-	6	23
931235	REGIONAL PARKS	13,619.05	-	-	13,619.05	0.15%	430	331	391
931240	REGIONAL PARKS	3,257.34	-	-	3,257.34	0.04%	103	76	68
931245	PARKS (GRANTS & CONTRACTS)	-	-	-	-	0.00%	-	3	5
931250	REGIONAL PARKS	375.94	-	-	375.94	0.00%	12	18	2
931265		167.88	-	-	167.88	0.00%	5	10	-
931400	REGIONAL PARKS DISTRICT 4	48,519.51	-	-	48,519.51	0.55%	1,531	984	1,018
931401	PARKS	1,816.22	-	-	1,816.22	0.02%	57	24	46
931709	PARKS HIDDEN VALLEY	-	-	-	-	0.00%	-	54	100
931710	REGIONAL PARKS DISTRICT 5	4,520.06	-	-	4,520.06	0.05%	143	24	46
935001	HABITAT CONSERVATION AGENCY	1,338.60	-	-	1,338.60	0.02%	42	3	20
935201	WRC-REGIONAL CONSERVATION	1,957.29	-	-	1,957.29	0.02%	62	70	127
935320	WDC-RCA	1,849.37	-	-	1,849.37	0.02%	58	11	33
938002	FIRST FIVE - RCCFC-ADMIN	11,030.13	-	-	11,030.13	0.12%	348	209	193
938004	FIRST FIVE - RCCFC - PROGRAM	203.48	-	-	203.48	0.00%	6	1	20
946001	SALTON SEA AUTHORITY	1,262.37	-	-	1,262.37	0.01%	40	124	29
947200	FLOOD CONTROL 3	168.38	-	-	168.38	0.00%	5	-	6
947260	FLOOD CONTROL 4	-	-	-	-	0.00%	-	-	9
985101	PUBLIC AUTHORITY ADMIN	9,641.80	-	33,430.04	43,071.84	0.11%	304	194	200
194	CANYON LAKE P.O.A.	66.50	-	-	66.50	0.00%	-	-	-
250	CITY OF SAN JACINTO 1	-	-	-	-	0.00%	-	-	-
317	VALLEY-WIDE REC & PARK DIST.	2,670.75	-	-	2,670.75	0.03%	84	-	-

**Attachment B
Supply Services
Delivery Charges**

Dept	Dept Name	FY 2015 Stores County	FY 2015 Moving	FY 2015 Systems Furniture	FY 2015 Total Billed	FY 2017 Stores Percentage	FY 2017 Delivery Charge Allocation	FY 2016 Delivery Charge Allocation	FY 2015 Delivery Charge Allocation
Total Delivery Costs to Allocate									
472	HOUSING AUTHORITY	-	-	-	-	0.00%	-	-	-
501	NW MOSQUITO & VECTOR CONTROL	-	-	-	-	0.00%	-	-	-
517	LIBRARY SYSTEMS & SERVICES	-	-	-	-	0.00%	-	-	-
638	SHERIFF'S STATION	16,749.92	-	-	16,749.92	0.19%	528	-	-
720	RIV.CO.TRANSPORTATION COMM.	644.10	-	-	644.10	0.01%	20	-	-
770	SUPERIOR COURTS	-	-	-	-	0.00%	-	-	-
780	WESTERN RIVERSIDE COUNCIL OF GOVT'S 2	1,799.93	-	-	1,799.93	0.02%	57	-	-
	Total	\$ 8,900,116	\$ 32,827	\$ 7,168,740	\$ 16,101,683	100.00%	\$ 280,746	\$ 213,149	\$ 247,738

Notes:

- 1 Delivery charges for FY 2017 are based on percentages of office and janitorial product sales in FY 2015.
- 2 Delivery charges for FY 2015 were waived.

Supply Services Delivery Charges:	Direct Charges	Waived	Not Waived	Total	Product Markup
FY 2013		251,394	-	251,394	10%
FY 2014		-	243,315	243,315	3%
FY 2015		247,738	-	247,738	5%
FY 2016		213,149	-	213,149	5%
FY 2017	42,588	-	280,746	323,334	10%
	\$ 42,588	\$ 712,281	\$ 524,061	\$ 1,236,342	

132%
113%
86%