

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



ITEM: 3.19

(ID # 20727)

MEETING DATE:

Tuesday, January 10, 2023

FROM : HUMAN RESOURCES:

**SUBJECT:** HUMAN RESOURCES: Approve the Order Form (Amendment) to the Master License Agreement with SumTotal Systems, LLC for Talent Development and Learning Management Software as a Service Subscription Extension, All Districts. [Total Cost \$1,341,500; plus up to \$450,000 in additional compensation, 100% Core HR Services GSS Rate]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Order Form (Amendment) to the Master License Agreement with SumTotal Systems, LLC for Talent Development and Learning Management Software as a Service Subscription to increase the annual agreement amount from \$216,320 to \$268,300 and extend the agreement term five additional years for a total aggregate amount up to \$1,341,500 through June 30, 2028; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved to form by County Counsel to: (a) sign amendments that exercise the options of the agreement including modifications of the statement of work; and (b) sign amendments to the compensation provisions that do not exceed a total aggregate up to \$450,000 in additional compensation starting this current fiscal year and over the five-year extended term; and
3. Authorize the Chair of the Board to sign three (3) copies of the Order Form (Amendment), and the Clerk to retain one and return two to Human Resources for distribution.

**ACTION:**

*Michael Bowers*

Michael Bowers, Assistant HR Director

12/20/2022

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MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: January 10, 2023  
xc: HR

Kimberly Rector  
Clerk of the Board

By: *Kimberly Rector*  
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 293,920	\$ 268,300	\$ 1,341,500	
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	
<b>SOURCE OF FUNDS:</b> 100% Core HR Services GSS Rate			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 22/23-27/28	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Prev. Agn. Ref.:** 08/23/16 (3.47); 08/27/19 (3.16)

**Summary**

The Human Resources Department (HR) is seeking to continue the use of the SumTotal Enterprise Learning Management System (LMS) approved by the Board in August of 2016.

In fiscal year 2015, HR conducted a competitive bid process that was awarded and approved by the Board on January 6, 2015 (Item 3-24) to obtain a library of online courses with limited licensing from Skillsoft Corporation.

On August 23, 2016 (Item 3-47) the Board approved Order Form (Amendment) Three for licensing and support to utilize Skillsoft's SumTotal LMS for fiscal years 16/17 through 18/19 at a total cost of \$709,808. This replaced the County's outdated system (GeoMetrix Training Partner LMS) with Skillsoft's Sum Total cloud based LMS in order to support legally required and Board mandated training, required training for the EPIC system at RUHS, and employee learning county-wide.

SumTotal was a wholly owned subsidiary of Skillsoft and is now a wholly owned subsidiary of Cornerstone. On August 27, 2019 (Item 3.16), the term for SumTotal LMS was extended through June 30, 2023. On June 29, 2021, the Purchasing Department on behalf of Human Resources, released RFP #HRARC-083 seeking proposals for a countywide Employee Performance Management (EPM) System. SumTotal responded, offering to upgrade the existing LMS licenses to Talent licenses, which include SumTotal's Learning and Performance modules at no additional license cost except an implementation fee over the first two years and \$24,000 annual ongoing maintenance and support approved under the purchasing agent's authority.

Since implementation in February 2017, utilization of the LMS has helped Riverside County mitigate risk and liability by dramatically increasing county-wide compliance with legally required and Board mandated training on important topics like employee safety, ethics, information security and more; while saving roughly \$2.2 million in labor hours and avoided travel expense, equivalent to 26 Full Time Equivalents.

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In addition to utilization by the Human Resources Department's Learning and Organizational Development Division, Riverside University Health System-Medical Center, Riverside University Health System-Behavioral Health Department, Riverside University Health System-Public Health Department, Sheriffs Department, Department of Public Social Services (DPSS), and Flood Control District have been utilizing the system to support their respective learning activities.

Most recently, as part of the Board's direction to assess options that would improve recruitment, hiring, and retention practices, HR is seeking additional services to consult and configure the SumTotal Compensation Module for use in managing the County Performance Recognition Plan, which is already part of the recently purchased SumTotal Talent suite and would simplify and standardize the planning, modeling, budgeting, analysis, and execution of compensation and reward policies. This is just one of the solutions that could help in this endeavor, and the reason for the request for optional additional compensation for this year and following years.



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**Impact on Residents and Businesses**

The system will allow County employees to continue access to needed training and the new Performance Management module. These features support multiple elective and mandated training courses and will manifest in a workforce better prepared to serve the community.

**Additional Fiscal Information**

Two components have been added to the renewal proposal: 1) \$24,000 ongoing maintenance and support for the Employee Performance Management (EPM) module, and 2) an increase for the expected number of users from 31,000 to 35,000 on average—thereby increasing the total license cost while keeping the same discounted price-per-user of \$6.98 offered since 2019.

The following table shows the full costs of the current item before the Board:

<b>Fiscal Year</b>	<b>Date</b>	<b>Current Contract M.O. 3.16 08/27/19</b>	<b>Implementation &amp; Ongoing Maintenance</b>	<b>Contract Extension Costs</b>	<b>Total New Extension Costs</b>	<b>Optional Additional Compensation</b>	<b>New Extension Years</b>
19-20	Sep 2019-Jun 2020	\$ 180,168					
20-21	Jul 2020-Jun 2021	\$ 216,320					
21-22	Jul 2021-Jun 2022	\$ 216,320	\$ 68,592				
22-23	Jul 2022-Jun 2023	\$ 216,320	\$ 77,600			\$ 75,000	
23-24	Jul 2023-Jun 2024		\$ 24,000	\$ 244,300	\$ 268,300	\$ 75,000	Y1
24-25	Jul 2024-Jun 2025		\$ 24,000	\$ 244,300	\$ 268,300	\$ 75,000	Y2
25-26	Jul 2025-Jun 2026		\$ 24,000	\$ 244,300	\$ 268,300	\$ 75,000	Y3
26-27	Jul 2026-Jun 2027		\$ 24,000	\$ 244,300	\$ 268,300	\$ 75,000	Y4
27-28	Jul 2027-Jun 2028		\$ 24,000	\$ 244,300	\$ 268,300	\$ 75,000	Y5
		<b>\$ 829,128</b>			<b>\$ 1,341,500</b>	<b>\$ 450,000</b>	

Oftentimes software platform providers will offer add-on modules that provide additional functionality at no cost except for initial configuration. Also, the County will have access and training to build customized success models, workflow customizations, and additional competency models, but may not have the manpower to perform these tasks. The optional additional compensation can cover those costs including any other data science or professional services, and with those included in this proposal will thereby streamline the procurement process allowing the department to get more done with greater efficiency and time and cost savings.

**Contract History and Price Reasonableness**

On August 23, 2016 (Item 3-47) the master license agreement with Skillsoft was amended to utilize Skillsoft's SumTotal Enterprise Learning Management System for a \$207,488

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implementation fee and an added \$167,440 annual platform license fee with no annual increase through 2019.

In 2017 the agreement was amended to increase licenses from 28,000 to 34,750 for an additional \$38,880 annually amounting to \$206,320 annually for the remaining two years.

On August 27, 2019 (Item 3.16), the agreement was extended four additional years through June 30, 2023 at a rate just \$10,000 more per year for \$216,320 with added storage allowance and enabling of an auditing component, but a decrease in number of users from 34,750 on average to 31,000, which equates into roughly a \$6.98 per user rate.

In 2022 RFP #HRARC-083 was awarded under the Purchasing Agent's authority to SumTotal after an evaluation committee consisting of 11 members from four departments determined them to be the most responsive and lowest cost out of three responses including two other bidders, Cornerstone and NeoGov. Their offer (order forms effective November 15, 2021) included \$0 license fee increase from their learning management to their talent development which includes learning and performance management—except for a \$24,000 ongoing maintenance and support fee.

Approval of the action before you would further extend the period of performance an additional five years through June 30, 2028 and increase the user licenses to the current 35,000 average, all while keeping the 2019 \$6.98 per user rate plus the \$24,000 EPM maintenance for a total of \$268,300 annually with no annual increases.

**Review/Approval**

RCIT and TSOC approved the use of this software on August 13, 2019, H-11 Review Process No. PR2019-09077, and because this is not new software and was previously approved by the Board it does not require further technology approval. County Purchasing concurs with this request, and because this is software license and maintenance support for an existing County system that was initially awarded through an RFP process and approved by the Board—further sole source justification is not required. County Counsel approved the Order Form as to legal form.

**ATTACHMENT A.** Order Form (Amendment) SumTotal Talent Extension

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Suzanna Hackley, Assistant Director of Purchasing and Fleet Service

12/20/2022



Meghan Hahn, Principal Management Analyst

12/28/2022



Jim Smith, Chief Information Officer

12/20/2022



Kristine Bell-Valdez, Supervising Deputy County Counsel

12/21/2022



## ORDER FORM

This Order Form together with any Exhibits attached hereto which are hereby incorporated by reference (the "Order Form") is effective as of 1 July 2023 (the "Effective Date") by and between SumTotal Systems LLC, successor in interest to Skillsoft (US) LLC, ("SumTotal") and County of Riverside, a political subdivision of the State of California ("Customer") and issued in accordance with the terms and conditions and made part of the Termed Master License Agreement between Skillsoft Corporation and Customer dated 31 December 2014\*, including the additional terms and conditions as set forth in Order Form 3 dated 1 September 2016 (collectively, the "Agreement"). **\*County has consented to assignment of the Agreement from Skillsoft Corporation to SumTotal Systems LLC effective February 1, 2021.** The parties agree that the Agreement shall remain in effect for the duration of this Order Form.

### 1. SUBSCRIPTION SERVICE CONFIGURATION

#### SUBSCRIPTION TERM:

**START DATE:** 1 JULY 2023

**END DATE:** 30 JUNE 2028

START DATE	END DATE	SOFTWARE MODULES	COMMITTED NUMBER OF USERS	MONTHLY ALLOTTED HOURS	LICENSE TYPE
1 JULY 2023	30 JUNE 2028	TALENT DEVELOPMENT SAAS WITH AUDIT	35,000	-	NAMED USER
1 JULY 2023	30 JUNE 2028	PSR-CONSULTINGONDEMAND-FF (SEE EXHIBIT B ATTACHED)	-	10	PROFESSIONAL SERVICES

**DEPLOYMENT METHOD:** SUMTOTAL (SaaS)

#### Additional terms for SaaS:

- (i) Installations will be initiated upon signing
- (ii) Customer may configure but not customize the Service,
- (iii) SumTotal shall provide installation of any patch, hotfix, or new version releases as part of the Service at no extra charge to Customer. The timing of such installations will be at SumTotal's discretion.

**2. SUBSCRIPTION FEES AND COMMITMENT.** Customer's total commitment hereunder is set forth below and is calculated as follows (the "Commitment Fee"). Applicable state and local taxes are not included in the totals below and will be calculated as of the date of the invoice(s) issued hereunder:

YEAR/TERM	ANNUAL SUBSCRIPTION FEES
Y1 (July 1, 2023 – June 30, 2024)	USD 268,300.00
Y2 (July 1, 2024 – June 30, 2025)	USD 268,300.00
Y3 (July 1, 2025 – June 30, 2026)	USD 268,300.00
Y4 (July 1, 2026 – June 30, 2027)	USD 268,300.00
Y5 (July 1, 2027 – June 30, 2028)	USD 268,300.00
<b>TOTAL</b>	<b>USD 1,341,500.00</b>

All fees shall be invoiced annually in advance and are due and payable 100% net 60 days from the date of invoice.

**3. ORDER FORM DEFINITIONS.** Any term not otherwise defined herein shall have the meaning provided it in the Agreement.

### 4. ADDITIONAL TERMS.

#### 4.1 County Standard Cyber Liability

SumTotal shall procure and maintain for the duration of the contract insurance against claims for injuries to person or damages to property which may arise from or in connection with the performance of the work hereunder by SumTotal, its agents, representatives, or employees. SumTotal shall procure and maintain for the duration of the contract insurance claims arising out of their services and including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data.

Cyber Liability Insurance, with limits not less than \$2,000,000 per claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by SumTotal in this agreement and shall include, but not limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. If the SumTotal maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be





entitled to the broader coverage and/or higher limits maintained by SumTotal. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

4.2 **Non-appropriation**

The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. In the State of California, Government agencies are not allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify SumTotal in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

**RATIFICATION.** The terms and conditions of the Agreement shall govern the use of the Service provided hereunder. Any capitalized term not defined in this Order Form shall be defined as set forth in the Agreement.

The authorized representatives of SumTotal and Customer have executed this Order Form signifying their agreement to its contents.


**COUNTY OF RIVERSIDE**, a political subdivision  
of the State of California

By:   
Chair  
Board of Supervisors

Dated: 1/10/23

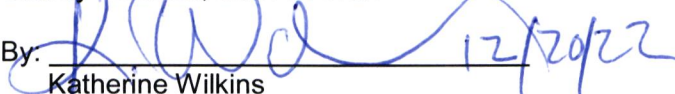
**ATTEST:**

Kimberly Rector, Clerk of the Board

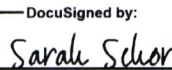
By:   
Deputy

**APPROVED AS TO FORM:**

County Counsel, Minh C. Tran

By:   
Katherine Wilkins  
Deputy County Counsel

**SUMTOTAL SYSTEMS LLC**, a Delaware limited  
liability company

DocuSigned by:  
By:   
Sarah Schor  
Head of Sales

Dated: December 19, 2022

**[Proof of delegated authority on file]**





EXHIBIT A  
CUSTOMER INFORMATION

BILL TO	County Of Riverside
CONTACT	HR Finance
PHONE	951-955-3510
E-MAIL	<a href="mailto:hfinance@rivco.org">hfinance@rivco.org</a>
ADDRESS	4080 Lemon Street
CITY	Riverside
STATE	CA
COUNTRY	USA
ZIP CODE	92501

SHIP TO	County Of Riverside
CONTACT	HR Finance
PHONE	951-955-3510
E-MAIL	<a href="mailto:hfinance@rivco.org">hfinance@rivco.org</a>
ADDRESS	4080 Lemon Street
CITY	Riverside
STATE	CA
COUNTRY	USA
ZIP CODE	92501



**EXHIBIT B**  
**PSR-CONSULTINGONDEMAND-FF**

SumTotal will provide remote, virtual, functional and technical consulting relative to the customer's licensed SumTotal products, upon request of Customer, up to the Monthly Allotted Hours as stated in the then-current Order Form, during the hours of 8am to 5pm EST, Monday through Friday. Consulting may include advice and guidance on use of the system and configuration of system functionality as needed. Consulting is limited to standard functionality available in the modules and versions of software currently licensed by the customer. Consulting does not include creation of reports, customizations, extensions, or enhancements.

Consulting may include but is not limited to:

- Application configuration
- Security
- Navigation configuration
- Enhance business process and system utilization
- Best Practice consulting
- Application training
- Data import support
- Content and activity configuration

Monthly hours allotted expire at the end of the month and do not roll over month-to-month. If needed, hours required to coordinate resources, meetings, follow-up activities, and other project-management type tasks will follow up items will be included in calculating monthly hours used.

This Consulting On-Demand service is intended to support ad hoc requests and system adjustments that are needed from time to time in the regular course of using the system and is not intended to support significant projects which should be managed under an SOW.