

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



**ITEM: 3.17
(ID # 21286)**

MEETING DATE:
Tuesday, March 28, 2023

FROM : HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Ratify and Approve Amendment No. 13 to the Universal Service Agreement with Equifax Workforce Solutions for continued use of The Work Number and Affordable Care Act (ACA) Reporting Services without seeking competitive bids for four (4) years, All Districts. [Total Cost \$655,552, 100% Core HR Services GSS Rate]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and Approve Amendment No. 13 to the Universal Service Agreement with Equifax Workforce Solutions for continued use of The Work Number and Affordable Care Act (ACA) Reporting Services without seeking competitive bids for four (4) additional years through December 31, 2026; 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: sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the original Agreement; and
3. Authorize the Chair of the Board to sign three (3) copies of the Amendment, and direct the Clerk to retain one copy and return two to Human Resources for distribution.

ACTION:

Michael Bowers
Michael Bowers, Assistant HR Director 3/14/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Spiegel 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: March 28, 2023
xc: H.R.

Kimberly A. Rector
Clerk of the Board
By: *Kimberly A. Rector*
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 125,000	\$ 130,000	\$ 655,552	\$
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$
SOURCE OF FUNDS: 100% Core HR Services GSS Rate			Budget Adjustment:	No
			For Fiscal Year:	22/23-26/27

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Prev. Agn. Ref.: 12/17/19 3.23; 12/04/18 3.35 & 3.34; 01/09/18 3.19 & 3.18; 04/11/17 3.45; 03/07/17 3.50; 09/22/15 3-16

Summary

Since February 2006, the County has utilized Equifax Workforce Solutions (formerly TALX Corporation) for employment verification services through The Work Number. The Work Number database allows requestors to receive immediate confirmation of an individual's employment and income as recent as their last paycheck for verification purposes and eligibility to receive social services. The Work Number database is the largest central repository of payroll information in the United States, with over 2.5 million employers contributing payroll records.

The Affordable Care Act (ACA) reporting requirement, which mandates employers that employ 50 or more employees to offer minimum essential health coverage to all of its full-time regular and temporary employees and report specific information to the IRS that demonstrates compliance with the employer shared responsibility provisions of the ACA and became effective in 2015 with mandated reporting starting 2016.

Although the data needed to satisfy the ACA reporting requirement is maintained by Human Resources, the responsibility for filing such IRS forms falls under the jurisdiction of the Auditor-Controller's Office (ACO). Since the County did not have adequate reporting capability through its Human Resources Management System (PeopleSoft HRMS), an outside provider was sought to assist with the reporting requirement. Human Resources and the ACO contacted providers offering ACA services. With the requirement being so new, there were only a few providers to choose from and only one was willing to provide a quote. As a result, HR and the ACO requested a Sole Source Procurement approval from Purchasing for TALX Corporation to provide ACA services.

The Sole Source Procurement was initially approved from November 1, 2015 through December 31, 2016. The initial request for ACA services became the Fifth Amendment to the TALX Universal Service Agreement, as the County had existing agreements with TALX for employment verification services and third-party unemployment claims administration. After the

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sole source procurement was approved, it was thought that the Affordable Care Act would be repealed, and the County would no longer have to continue the ACA Services Agreement beyond December 31, 2016. However, the ACA mandate was not repealed, and the County had to extend the services through December 31, 2017, which yielded the Sixth Amendment to the TALX Universal Service Agreement. As the future of the ACA was unknown, it was determined that HR would continue to renew the ACA portion of the contract annually as-needed and separate from the other services.

In 2017, a contract was secured to implement a new HRMS and payroll system, which offered ACA reporting functionality. It was the expectation that once the new HRMS system was implemented, the County would be able to complete the required ACA reporting in-house and would no longer need to purchase ACA services. Therefore, the Agreement was amended only until December 31, 2018 with the Eighth Amendment. The implementation for a new HRMS system ended up being cancelled and a new HRMS implementation with a different vendor was initiated in mid-2019. Because of that, the County was still not in a position to complete ACA reporting in-house and would not be able to do so until the end of calendar year 2021 at the earliest, but still needed to complete ACA reporting for calendar year 2019 by January 2020 and reporting for calendar year 2020 by January 2021. Therefore, the ACA Services were extended through December 31, 2021.

Ever since the implementation of PeopleSoft HCM (Human Capital Management) 9.2, which offered ACA reporting, it was expected HR would no longer require the services from TALX. However, earlier this year the capabilities of PeopleSoft were explored once again, and HR was recently notified by IT the capabilities in PeopleSoft will not be feasible. For those reasons, HR proposes the option to extend the agreement for up to an additional 4 years through December 31, 2026.

Impact on Residents and Businesses

There is no expected negative impact on residents or businesses.

Additional Fiscal Information

Previous Three Years-Actual Costs (for reference)					
Date	Management Platform	Tax Forms	Postage	Verifications	Totals
01/31/20	\$ 62,696.88	\$ 33,422.90	\$ 9,187.46	\$ 13,377.00	\$ 118,684.24
01/31/21	\$ 62,696.88	\$ 30,697.63	\$ 11,181.54	\$ 15,408.00	\$ 119,984.05
01/29/22	\$ 60,699.97	\$ 31,207.08	\$ 10,040.87	\$ 23,604.00	\$ 125,551.92
ESTIMATED Future-Actual Costs (for reference)					
Date	Management Platform	Tax Forms	Postage	Verifications	Totals
01/31/23	\$ 79,052.00	\$ 32,519.10	\$ 12,000.00	\$ -	\$ 123,571.10

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01/31/24	\$ 81,423.56	\$ 33,494.67	\$ 12,000.00	\$ -	\$ 126,918.23
01/31/25	\$ 83,866.27	\$ 34,499.51	\$ 13,000.00	\$ -	\$ 131,365.78
01/31/26	\$ 86,382.25	\$ 35,534.50	\$ 13,000.00	\$ -	\$ 134,916.75

The cost for ACA reporting is recovered through the Human Resources (HR) Core Services General Support Services (GSS) rate charged to County Departments based, in this case, on employee count. The estimated fees are based on a 24,857 total County employee count. Payments will be based on total employees each year and actual postage/shipping costs. The following table summarizes the requested not-to-exceed amounts of the current item before the Board:

Fiscal Year	Date	Ratify Costs	Contract Extension Costs	Total New Contract Costs	New Contract Year
21-22	Jan-Jun 2022	\$ 125,552		\$ 125,552	
22-23	Jul-Dec 2022				
22-23	Jan-Jun 2023		\$ 125,000	\$ 125,000	Y1
23-24	Jul-Dec 2023				
23-24	Jan-Jun 2024		\$ 130,000	\$ 130,000	Y2
24-25	Jul-Dec 2024				
24-25	Jan-Jun 2025		\$ 135,000	\$ 135,000	Y3
25-26	Jul-Dec 2025				
25-26	Jan-Jun 2026		\$ 140,000	\$ 140,000	Y4
26-27	Jul-Dec 2026				
		\$ 125,552	\$ 530,000	\$ 655,552	

Contract History and Price Reasonableness

The County entered into a Universal Service Agreement for The Work Number service effective February 1, 2006 for an initial term of five years. The County entered into another Universal Service Agreement for The Work Number service effective February 1, 2011 for one (1) year through January 31, 2012, unless terminated earlier with options to renew in one (1) year increments by mutual written amendment through January 31, 2016; and has since amended the Agreement 12 times as follows:

- a. **Amendment No. 1** effective on February 1, 2012, extended the period of performance through January 31, 2013; and
- b. **Amendment No. 2** effective on February 1, 2013, extended the period of performance through January 31, 2014; and
- c. **Amendment No. 3** effective on February 1, 2014, extended the period of performance through January 31, 2015; and

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- d. **Amendment No. 4** effective on February 1, 2015, extended the period of performance through January 31, 2016; and
- e. **Amendment No. 5** effective on November 1, 2015, added the ACA Tax Form Service and ACA Management Platform and changed the period of performance through December 31, 2016 (M.O. No. 3-16, dated September 22, 2015; SSJ #16-112 & 17-105; H-11 & TSOC approval No. PR2015-03132); and
- f. **Amendment No. 6** effective on November 1, 2016, extended the period of performance through December 31, 2017, added \$3,000 1094-C transmittal fee, and 1095-C electronic fulfillment fee raised from \$0.85 to \$1.10 (M.O. No. 3.50, dated March 7, 2017); and
- g. **Amendment No. 7** effective on February 1, 2016, extended the period of performance through December 31, 2017 (M.O. No. 3.45, dated April 11, 2017) (added The Work Number back to Agreement as Amendment No. 4 did not include its schedules of work); and
- h. **Amendment No. 8** effective on January 1, 2018, extended the period of performance through December 31, 2018, and increased ACA Management Platform per employee fee from \$3.00 to \$3.18 (a 6% increase over the past two years, which was previously agreed upon based on a 3% increase per year) (M.O. No. 3.18, dated January 9, 2018) (for ACA Tax Form Service and ACA Management Platform only); and
- i. **Amendment No. 9** effective on January 1, 2018, extended the period of performance through December 31, 2018 (M.O. No. 3.19, dated January 9, 2018) (for The Work Number only); and
- j. **Amendment No. 10** effective on January 1, 2019, extended the period of performance through December 31, 2019 (M.O. No. 3.34, dated December 4, 2018; SSJ #19-090) (for ACA Tax Form Service and ACA Management Platform only); and
- k. **Amendment No. 11** effective on January 1, 2019, extended the period of performance through December 31, 2019 (M.O. No. 3.35, dated December 4, 2018) (for The Work Number only); and
- l. **Amendment No. 12** effective on January 1, 2020, extended the period of performance through December 31, 2021, and provided a 7% discount on both ACA Management Platform and Tax Form fees (M.O. No. 3.23, dated December 17, 2019) (for ACA Tax Form Service and ACA Management Platform only).

The current amendment renews the use of income and employment verification services through The Work Number, ACA Management Platform, and ACA Tax Form Services through December 31, 2026 to ensure the County has provisions in place to meet the required reporting. Prior to this renewal, the same services have been in place for seven years for the ACA reporting, and more than ten years for the verification services.

The amendment is provided with fees waived for all verification services (up to a \$54,000 value), a more than 18% discount on ACA management platform fees at an even lower price than previous years, and a reduction in its standard annual increase from 5% to 3%.

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In addition, TALX was selected as the vendor of choice by the State of California to assist the state with the same reporting requirements.

Based on the cost to implement this function in-house, the price is quite reasonable.

Review/Approval

RCIT and TSOC approved the use of this software on September 15, 2015, H-11 Review Process No. PR2015-03132, 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 approved the Single Source Justification (SSJ) #23-123 on February 2, 2023 (copy attached for reference). County Counsel approved the Amendment as to legal form.

ATTACHMENT A. EWS Amendment No 13 AATF

ATTACHMENT B. Equifax EWS 2022 SSJ 23-123



Meghan Hahn, Deputy Director of Procurement 3/14/2023



Ronak Patel, Deputy County Counsel 3/15/2023

RATIFICATION AND AMENDMENT TO THE UNIVERSAL SERVICE AGREEMENT

This Ratification and Thirteenth Amendment ("**Ratification Amendment**") is entered into by and between Equifax Workforce Solutions LLC formerly known as TALX Corporation (a provider of Equifax Workforce Solutions), a Missouri corporation ("**EWS**") and County of Riverside, a political subdivision of the State of California, ("**Client**"), effective as of March 1, 2023 ("**Effective Date**"). This Ratification Amendment is entered into with the express agreement that except as addressed herein, all terms, conditions and stipulations contained in the Universal Service Agreement between EWS and Client, with an Effective Date of February 1, 2011, as previously amended, (the "**Agreement**") shall remain in full force and effect and without any change or modification whatsoever. For the purposes of this Ratification Amendment, all capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Agreement.

RECITALS

WHEREAS, the parties previously entered into that certain Eleventh Amendment to the Universal Service Agreement to extend the Work Number Services through December 31, 2019;

WHEREAS, the parties previously entered into that certain Twelfth Amendment to the Universal Service Agreement effective to extend the ACA Services through December 31, 2021;

WHEREAS, notwithstanding the December 31, 2019 expiration of The Work Number Services and the expiration of ACA Services as of December 31, 2021 as mentioned above, the parties acknowledge and agree that the Services have continued to be provided by EWS to Client and accepted and paid by Client past the respective expiration dates without a written amendment; and,

WHEREAS, as of the Effective Date provided herein, the parties agree that the Services mentioned above are hereby fully reinstated and shall be deemed to have been in effect from the original effective date of February 1, 2011 and November 1, 2015 through the date as hereby extended as set forth in this Ratification Amendment.

WHEREAS, the parties now desire to ratify and amend the Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to ratify and amend the Agreement as follows:

1. **Recitals.** The recitals set forth above are true and correct and incorporated herein by this reference.
2. **Ratification.** All actions taken by both EWS and Client prior to the date hereof were in compliance with, and pursuant to the terms and conditions of the Agreement, and are hereby confirmed and ratified.
3. The Work Number Services are reinstated from the commencement date of February 1, 2011.
4. The ACA Services are reinstated from the commencement date of November 1, 2015.
5. **Amendment to the Universal Service Agreement with an effective date of February 1, 2011**

Effective May 1, 2022, TALX Corporation changed its name and shall hereby be known as Equifax Workforce Solutions LLC. All references to TALX Corporation or EWS in the Agreement and/or associated Schedules are hereby updated to reference Equifax Workforce Solutions LLC.

6. **Amendment to the ACA Services. Schedule A – ACA Management Platform (Service Provider, Term and Fees for Services) and its associated Schedule B with an effective date of November 1, 2015 ("ACAMP Schedules")**

- a. Schedule A, section 2 Term. The term is hereby extended to December 31, 2026.
- b. Schedule A – Exhibit 1 – Fees. Effective January 1, 2022, the Subscription Schedule Annual Fees table is hereby amended as follows:

Bundled Option

ACA Reporting and Tax Form Management	
Service Level	Advanced
Estimated Employee Count	27,000
1095-C Forms Included	23,232
<i>TFM Activation</i>	<i>Included</i>
<i>1094-C Transmittal Service</i>	<i>Included</i>
<i>Excess 1095-C Fee</i>	<i>\$1.00</i>
Annual Fee - 4 Year Term	\$109,946

- c. The Annual Fee will increase annually from the prior year at a rate of 3%.
7. **Amendment to Schedule A – ACA Tax Form Service (Service Provider, Term and Fees for Services) and its associated Schedule B with an effective date of November 1, 2015 (“ACA Tax Form Schedules”)**
- a. Section 1. Term. The term is hereby extended to December 31, 2026.
- b. Schedule A – Exhibit 1 – Fees. Effective January 1, 2022, the Fee Schedule is hereby amended as follows:
- Included in the ACAMP annual fee as referenced in the Bundled Option table above.
- c. All fees stated below will increase annually from the prior year at a rate of 3%.
8. **Amendment to The Work Number Services. Schedule A – The Work Number (Service Provider, Term and Fees for Services) and its associated Schedule B with an effective date of February 1, 2011 (“The Work Number Schedules”)**
- a. Schedule A, section 2 Term. The term is hereby extended to December 31, 2026.
- b. Schedule A, Exhibit 1 – Fees. Effective January 1, 2023, the Client Fees for Social Services Verifications (includes postage) are hereby waived.

Effect of Ratification Amendment; Entire Agreement. This Ratification Amendment together with the Agreement (and any attachments, addenda, and supplements thereto) shall be the complete and exclusive statement of the Agreement between the parties as to the subject matter of the Agreement, and shall be binding upon each of the parties hereto, their respective successors and to the extent permitted their assigns. In the event of a conflict between the terms and conditions hereof, and the terms and conditions of the Agreement, the specific terms and conditions set forth in the Ratification Amendment shall govern.

Client Purchase Orders If the use of a Purchase Order (“PO”) or similar ordering document is required by Client, the following information must be provided as part of the Agreement. Failure to include this information reflects Client’s agreement that a PO shall not be required by Client. Client shall provide notice of any PO changes no less than ninety (90) days prior to the expiration of the current PO. No additional terms and conditions shall be included in the PO unless expressly agreed to in writing by the Parties. If there is a conflict between language in the PO and the Agreement, the Agreement shall control. Client shall send the PO’s to purchaseorders@equifax.com.

PO Number (or similar)	
PO Amount	\$ _____ per timeframe

PO Effective Dates	From:	
	To:	
PO Contact	Name:	
	Phone:	
	Email:	

Miscellaneous; Other Terms. Neither this Ratification Amendment nor the Agreement can be amended or otherwise modified, except as agreed to in writing by each of the parties hereto.

This Ratification Amendment is accepted and agreed to by the following authorized representatives of the parties and each person signing below represents and warrants that he or she has the necessary authority to bind the principal set forth below.

IN WITNESS WHEREOF, the parties have executed this Ratification Amendment effective as of the Effective Date written above.

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

By: 
 Chair, **KEVIN JEFFRIES**
 Board of Supervisors


Dated: 3/28/23

Equifax Workforce Solutions LLC, a Missouri corporation

By: 
 Russell McAllister,
 Vice President, National Accounts

Dated: 03/03/2023

ATTEST:
 Kimberly Rector
 Clerk of the Board

By: 
 Deputy

[Proof of Delegation on File]

APPROVED AS TO FORM:
 County Counsel, Minh C. Tran

By: 
 Katherine Wilkins,
 Deputy County Counsel

CORPORATE SIGNERS: Pursuant to California Corporations Code Section 313, please provide signature of chairperson of the board, president, or any vice president, and the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer. If providing only one signature, please also provide a resolution or other proof of delegated authority that shows signer can legally bind the corporation.

USE OF ELECTRONIC SIGNATURES: This Amendment may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each Party of this Amendment agrees to the use of electronic or digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("the Act") Cal. Civ. Code §§ 1633.1-1633.17), for executing this Amendment. The Parties further agree that the electronic or digital signatures of the Parties included in this Amendment are intended to authenticate this writing and to have the same force and effect as manual signatures. The Act authorizes use of an electronic signature for transactions and contracts among Parties in California, including governmental agencies. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

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RIVCO HR

putting people first

Date: January 4, 2023
From: Michael Bowers, HR Director
To: Purchasing Agent and Board of Supervisors
Via: John Farrar, Procurement Contract Specialist
Subject: Single Source Procurement; Request for continued use of The Work Number and Affordable Care Act (ACA) Reporting

The below information is provided in support of my Department requesting approval for a single source.

1. **Supplier being requested:** Equifax Workforce Solutions (formerly TALX Corporation)
2. **Vendor ID:** 0000253882
3. **Single Source** **Sole Source**
4. **Have you previously requested and received approval for a sole or single source request for this vendor for your department?**
 Yes **No**

SSJ #	Approved by	Dated
16-112 (for ACA forms)	Lisa Brandl	September 10, 2015
17-105 (for Work #)	Mark Whitesell	September 22, 2016
19-090 (for ACA forms)	Teresa Summers	November 19, 2018
Currently Proposed		January 4, 2023



Michael Bowers - HR Director, Interim
Steven Espinoza - Assistant HR Director
Shondi Miller - Assistant HR Director
Mylene Daniels - Deputy HR Director

4a. Was the request approved for a different project?

Yes (included in table above) **No**

5. Supply/Service being requested: Digital income and employment verification services through The Work Number, and reporting of health insurance coverage as mandated by the Affordable Care Act.

6. Unique features of the supply/service being requested from this supplier: TALX Corporation created a user-paid verification of employment database, which is The Work Number. The database allows requestors to receive immediate confirmation of an individual's employment and income as recent as their last paycheck for verification purposes and eligibility to receive social services. The Work Number database is the largest central repository of payroll information in the United States, with over 2.5 million employers contributing payroll records.

For the ACA reporting, Equifax offers full service ACA support to companies of all sizes including employee form delivery/ mailing; IRS 1095 and 1094 filing, state filing, response support for IRS information requests and data validations, and hands on service and support from a dedicated account team.

7. Reasons why my department requires these unique features from the vendor and what benefit will accrue to the county: For The Work Number, the County participates in Equifax Verification Services and provides secure payroll information directly to Equifax each time it runs payroll. Because of that, the County receives access to The Work Number which provides improved customer service with secure verification services available 24/7 via Web and telephone interfaces with consistent call center support relieving county staff of having to answer verification requests. The Human Resources, Sheriff's, and Public Social Services Departments also use The Work Number database to verify employment application, background, and assistance program benefit eligibility information—which helps the County expedite benefit determinations, lessening the burden on applicants, beneficiaries, and County staff by providing employment and income verification quickly without time-consuming manual verification processes—so each department can focus on delivering on its mission.

For the ACA reporting, effective January 1, 2016, the County became mandated by the Affordable Care Act (ACA) to offer minimum essential health coverage to all of its full-time employees and their eligible dependents, which includes regular and temporary employees. In addition to offering health coverage, the County is required to report information to the Internal Revenue Service (IRS) that demonstrates compliance with the employer shared responsibility provisions of the ACA. The shared responsibility provisions are covered under Section 6056 of the Internal Revenue Code (IRC), which includes a mandate for the County to report information to the IRS about the health coverage the County offers to its full-time employees.

The required information must be submitted to the IRS by the given deadline as dictated by the IRS each year for the previous year's coverage that was provided. This requirement is met when the County furnishes each eligible employee with a paper Form 1095-C document, unless the employee affirmatively consents to receive the statement electronically.

Although the data needed to satisfy the ACA reporting requirement is maintained by Human Resources, the responsibility for filing such IRS forms falls under the jurisdiction of the Auditor-Controller's Office (ACO). The County's current Human Resources Management and Payroll

System (PeopleSoft), does not have the technical reporting functionality and capabilities to complete the required IRS reporting for the ACA.

8. Period of Performance: From: January 1, 2022 to December 31, 2026

There was some confusion as to The Work Number's underlying agreement because Equifax formerly operated under the same vendor name as our Third Party Administrator for Unemployment Insurance, but it was found that the original agreement for The Work Number was a separate agreement that was then amended separately for the ACA reporting. The Amendment for The Work Number and the ACA reporting are now being combined because we will be continuing both services for multiple years and they refer to the same underlying agreement.

The previous Amendment for ACA reporting extended the period of performance through December 31, 2021. Ever since the implementation of PeopleSoft HCM (Human Capital Management) 9.2, which offered ACA reporting, it was expected HR would no longer require the services from TALX. However, earlier this year the capabilities of PeopleSoft were explored once again, and HR was recently notified by IT the capabilities in PeopleSoft will not be feasible. For those reasons HR proposes the option to extend the agreement for up to an additional 4 years through December 31, 2026.

Is this an annually renewable contract? No Yes
 Is this a fixed-term agreement: No Yes

9. Identify all costs for this requested purchase:

Description:	2023	2024	2025	2026	Total
One-time Costs	\$0	\$0	\$0	\$0	\$0
Ongoing Costs (for Work #)	WAIVED	WAIVED	WAIVED	WAIVED	\$0
Ongoing Costs (for ACA forms)	\$125,000	\$130,000	\$135,000	\$140,000	\$530,000
Previous SSJ Approved Amounts:	\$0	\$0	\$0	\$0	\$0
Total Costs	\$125,000	\$130,000	\$135,000	\$140,000	\$530,000

10. Price Reasonableness: For the Work Number, the price is reasonable considering the vendor previously only charged the County \$3.00 per social service verification, and all other (non-government) verifications were provided at no additional cost, and the price was never increased since inception in 2006. UC Advantage, <https://ucadvantage.net> offered the same \$3.00 per social service verification rate if we used them for Third-Party Unemployment Insurance Claims, and Verify Fast, which has been acquired by Experian, is a comparable service, but it has not been in service as long, and both would require a set-up and conversion fee. The annual cost for this portion of the contract would have been not to exceed \$54,000 based on currently performing up to 1500 social service verifications per month at the \$3.00 rate. However, since the County is now entering into a multi-year agreement for the ACA reporting, the vendor has offered to waive even the social service verification fees as an added multi-service discount.

For the ACA reporting, the price is reasonable considering the per employee rate for the management platform is actually lower than the initial 2015 pricing (\$2.93 vs. \$3.00), and the per tax form fees are lower than their 2016 pricing (\$1.01 vs. \$1.10). The annual cost for this

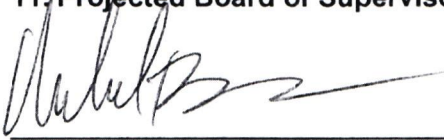
portion of the contract will not exceed \$140,000 annually including management platform fees, tax form fees, postage/shipping of any forms Equifax must mail, and annual 3% increase.

The vendor's standard rate for the ACA management platform is \$3.60 per employee versus \$2.93—offering the County more than an 18% discount. Additionally, the provider reduced its standard annual increase from 5% down to 3%. By approving this single source procurement request, it will ensure the County meets its reporting requirement for tax year 2022 and beyond, and avoids penalties of \$250 per employee not to exceed \$3,000,000 per year.

In addition, TALX was selected as the vendor of choice by the State of California to assist the state with the same reporting requirements.

Based on the cost to implement this function in-house, the price is quite reasonable.

11. Projected Board of Supervisor Date (if applicable): January 31, 2023

	<u>Michael Bowers</u>	<u>1/13/2023</u>
Department Head Signature (or designee)	Print Name	Date

The section below is to be completed by the Purchasing Agent or designee.


Purchasing Department Comments:

Approve	Approve with Condition/s	Disapprove
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Condition/s:
Approved as listed above in fiscal chart

Not to exceed:

- One-time** \$ _____
- Annual Amount** \$ _____ / per fiscal year through _____ (date)
(If Annual Amount Varies each FY)
 - FY _____ : \$ _____
 - FY _____ : \$ _____
 - FY _____ : \$ _____
 - FY _____ : \$ _____
 - FY _____ : \$ _____


 Suzanna Hinckley,
 Assistant Director

<u>Purchasing Agent</u>	<u>Print Name</u>	<u>Date</u>	<u>Approval Number</u>
	<u>02/02/2023</u>	<u>23-123</u>	