



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: Social Services  
Department No.: 44  
For Agenda Of: May 25, 2010  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Kathy Gallagher, Director  
Director(s)  
Contact Info: Lauren Moore (681-4529)  
**SUBJECT:** Contract with Document Fulfillment Services (DFS) to provide CalWIN Printing and Mailing Services

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

Approve and authorize the Chair to execute a contract with BIT CA dba Document Fulfillment Services (DFS), not a local vendor, for the purpose of printing and mailing client correspondence from the CalWORKS's Information Network (CalWIN) System for the period of 07/01/10 through 06/30/13 at a cost not to exceed \$876,000 (FY10/11 \$292,000, FY 11/12 \$292,000, FY 12/13 \$292,000).

**Summary Text:**

In December 2009, the Department of Social Services initiated a pre-bid survey to seek out local vendors that could meet the Department's printing and mailing requirements for Client Correspondence as mandated by State and Federal regulations. A list of print service providers was compiled, with emphasis on identifying local vendors, by searching county area websites, Google searches and the regional telephone directory and super pages. A notice was sent to 215 potential vendors. The Department received a number of e-mails and telephone calls from local vendors stating they were interested and a Request for Proposal was released to all interested vendors on February 10, 2010. The Department received two proposals, one from Central Valley Presort, Inc in Fresno, California and the other from Document Fulfillment Services (DFS) in West Sacramento, California; no local vendor proposals were received.

Several important criteria were considered in our analysis when awarding DFS the contract. There is a very high volume of client letters and notices generated by current caseload. The Contractor is required to print, collate, fold, stuff, stamp and mail daily for approximately 35% of the caseload or

approximately 18,500 documents each day. CalWIN currently provides the print vendors each County's client correspondence data on encrypted DVDs and the ability to quickly access that data is critical. CalWIN may initiate modifications to client correspondence format such as placement of bar codes which require priority attention from the print vendor who must quickly coordinate with the County to test and make any necessary corrections.

Outsourcing of the CalWIN client correspondence printing and mailing task is the only viable approach to meeting business needs and mandated requirements for our time-sensitive correspondence. Failure to comply with regulations governing the timely printing and mailing of correspondence to clients could result in sanctions to the County.

**Background:**

The Santa Barbara County Department of Social Services implemented a new primary business application called the CalWORKS Information Network (CalWIN) in March 2006 to determine public assistance eligibility, computing and issuing benefits, and tracking the provision of social services. CalWIN met federal requirements for a Statewide Automated Welfare System and replaced an antiquated system, Welfare Case Data System (WCDS), which no longer met the functional requirements and technical standards of the current public assistance environment. CalWIN provided an enhanced system support for all major processing functions of the Income Maintenance and Employment Services Programs administered by the Department. Santa Barbara County migrated to CalWIN along with seventeen other counties who now make up the State's CalWIN consortium.

In January 2006 we obtained approval for the Board of Supervisor to piggy-back on Sacramento County's Request for Proposal with a contract term from March 2006 through February 2007 with the option to renew three (3) additional one-year periods. The Board of Supervisors approved one year and asked that Santa Barbara County offer the contract opportunity to any local vendors that may be available to meet the Department's needs. In September 2006 the Department of Social Services released a Request for Proposal. Three (3) bids were received; however, none were from local vendors. In January 2007 the Board of Supervisors approved a three (3) year contract with DFS not to exceed \$467,167. The term and amount for each year was as follows: March 2006 through June 2007, \$67,167., July 2007 through June 2008, \$200,000. and July 2008 through June 2009, \$200,000..

In May 2009 the Department of Social Services went back to the Board of Supervisors to request an additional year and an increase in the amount of \$289,000. as higher case loads led to increased print volume. The Board of Supervisors agreed to renew for an additional year for the period of July 2009 through June 2010.

In December 2009, the Department of Social Services initiated a pre-bid survey to seek out local vendors able to meet the Department's printing and mailing requirements for Client Correspondence. In February 2010 the Request for Proposal was released for a new term to begin July 2010. No local vendor proposals were received in spite of the County's efforts to engage local vendors, as mentioned in the summary text above. The County received two proposals, one from Central Valley Presort, Inc in Fresno, California and the other from Document Fulfillment Services (DFS) in West Sacramento, California. After the evaluation team reviewed the proposals, it was recommended that DFS be awarded the new contract to commence on 7/1/10.

Several important criteria were considered in our analysis. There is a very high volume of client letters and notices generated by current caseload. The Department is required to print, collate, fold, stuff, stamp and mail daily for approximately 35 % of the caseload or approximately 18,500 documents each day. CalWIN currently provides the print vendors each County's client correspondence data on encrypted DVD's and the ability to quickly access that data is critical. CalWIN may initiate modifications to client correspondence format such as placement of bar codes which require priority attention from the print vendor who must quickly coordinate with the County to test and make any necessary corrections. Document Fulfillment Service's level of performance over the course of the previous contract has allowed the county to continue to meet State and Federal mandates.

Members of the Board of Supervisors are respectfully referred to the attached Performance Measures/Outcomes matrix for additional details. Outcomes have been established for this contract to evaluate Performance Measures.

**Performance Measure:**

DFS will provide printing and mailing services for client correspondence generated out of the CalWIN computer system to Santa Barbara County.

The performance measures focus on measuring the quality of vendor support and quantifying service response time.

- Errors not remedied by DFS quality control, involving 100 or more pieces from a single mailing will incur a penalty credit in favor of the County in the amount of \$.04 per piece. This will include client correspondence mailed 24 hours after the target mailing date.
- DFS will verify that services are provided using fully automated processes that are capable of tracking each individual mail piece through the printing, inserting, and mailing processes. Duplicated, missing and misprinted documents and inserts and other errors must be identified and remedied before mailing. Any errors or variation must be reported to the County immediately.
- The contractor's performance will be measured by evaluating daily print reports received by DFS which detail our daily correspondence volume processed, printed and mailed. These reports are compared to CalWIN caseload activity to ensure consistency is present.
- A DSS Help Center database will be utilized to track questions, problems, issues and general communication with the vendor. This allows us to create a knowledgebase of information for more effective contract monitoring.
- A DSS Help Center database report will be run and reviewed quarterly to ensure that 90% of all DSS reported questions or issues were resolved by DFS to DSS's satisfaction, within two (2) business days.

The vendor has consistently met and exceeded the above performance measures set forth in the prior contract.

In addition to the performance measures listed above, Santa Barbara County participates in monthly client correspondence meetings held at the project level to discuss print processes, satisfaction and other

general information where counties who share this print vendor can comment and compare service experience.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund	\$ 10,629.77	\$ 15,944.65	\$ -
State	\$ 83,266.52	\$ 124,899.77	\$ -
Federal	\$ 83,266.52	\$ 124,899.77	\$ -
Total	\$ 177,162.80	\$ 265,744.20	\$ -

Narrative: The contract provides client correspondence and anticipated print volume and postage costs for mandated client correspondence. Approval and execution of this contract will result in direct contract expenditures of \$292,000 per Fiscal Year, FY 10-11 through 12-13 for a total contract amount of \$876,000.

Funding will come primarily from a combination of Federal and State funds (83% Federal and 11% State Funds). There is a 6% County Share. A funding request has been included in the Department's FY 10-11 requested budget and subsequently will be included in the Department's FY 11-12 and FY 12-13 requested budgets.

**Staffing Impacts:**

**Legal Positions:**

0

**FTEs:**

0

The costs associated with BIT CA dba Document Fulfillment Services (DFS) contract in providing printing and mailing client correspondence services are all non-labor related costs limited to IT Software Maintenance (Line item 7124) and Postage (Line item 7451).

**Special Instructions:**

Please send one (1) duplicate original Agreement and one copy of the minute order to:

Contracts Unit

C/O Yalila "Lee" Gonzales

2125 S. Centerpointe Parkway, 3<sup>rd</sup> Floor

Santa Maria, CA 93455

**Attachments:**

Agreement for Services of Independent Contractor

Performance Measures/Outcomes

Authored by:

Lauren Moore, IT Manager

## DFS Performance Measures/Outcomes

Performance Measures	Outcomes
<ul style="list-style-type: none"> <li>Errors not remedied by DFS quality control, involving 100 or more pieces from a single mailing. This includes client correspondence mailed 24 hours after the target mailing date.</li> </ul>	<ul style="list-style-type: none"> <li>There were no instances meeting this condition during the contract period. DFS errors involved a small number of mailings. Errors involving larger numbers of mail stemmed from CalWIN or DSS changes.</li> </ul>
<ul style="list-style-type: none"> <li>DFS will verify that services are provided using fully automated processes that are capable of tracking each individual mail piece through the printing, inserting and mailing processes. Any errors or variation must be reported to the County immediately.</li> </ul>	<ul style="list-style-type: none"> <li>DFS utilizes ZEUS (Zero Errors User System) which tracks individual mail pieces through the system and provides detailed monthly reports to DSS. All instances of variance have been reported to the County and corrected within an acceptable time frame.</li> </ul>
<ul style="list-style-type: none"> <li>The contractor's performance will be measured by evaluating daily print reports received by DFS which detail daily correspondence volume processed, printed and mailed. These reports are compared to CalWIN caseload activity to ensure consistency is present.</li> </ul>	<ul style="list-style-type: none"> <li>DFS reports have been reviewed daily to ensure there were no inconsistencies in the volume of correspondence processed in comparison to CalWIN caseload activity and previous month's volume of correspondence processed. DFS has continued to meet this performance measure.</li> </ul>
<ul style="list-style-type: none"> <li>A DSS Help Center database is utilized to track questions, problems, issues and general communication with the vendor. This allows us to create a knowledgebase of information for more effective contract monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>A report from the service request database shows a total of eight (8) work order tickets from 2006 through current date, of these, three (3) were CalWIN issues.</li> </ul>
<ul style="list-style-type: none"> <li>A DSS Help Center database report is generated and reviewed quarterly to ensure that 100% of the approximated 5 calls quarterly are resolved by DFS to DSS's satisfaction, within two business days.</li> </ul>	<ul style="list-style-type: none"> <li>DFS was able to correct all issues for which they were responsible for within the requested timeframe. In addition DFS has been particularly supportive of the Department where it was necessary to coordinate with CalWIN to remedy print or scanning issues resulting from Project output changes or to meet our own unique Document Imaging process requirements for bar-coded documents.</li> </ul>