



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.: 044
For Agenda Of: 1/23/07
Placement: Administrative
Estimated Tme:
Continued Item:
If Yes, date from:
Vote Required: Majority

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

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

1. 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 Information Network (CalWIN) System for the period of 3/1/07 through 6/30/09 at a cost not to exceed \$467,167.
2. Authorize the Director of the Department of Social Services to approve amendments to the proposed contracts, provided that any such amendments do not exceed ten percent (10%) of the contract's dollar amount.
3. Authorize the Director of the Department of Social Services to negotiate a renewal, without re-bidding, for a period not to exceed one year. The terms of the renewal will be subject to renegotiation, based on performance measures and satisfaction with services provided.

Summary Text:

On 1/12/06 your Board approved a (1) year contract with BIT dba Document Fulfillment Services (DFS) to provide printing and mailing services for CalWIN Client Correspondence for Santa Barbara County Department of Social Services. The annual average and volume is approximately 312,971 mail pieces. This volume includes daily client correspondence, monthly reporting requirements, and mass client mailings. Although the Department of Social Services requested the approval of a multi-year contract, your Board only approved a one (1) year contract until a full competitive bidding process could be

conducted to allow the opportunity for local vendors to compete for the contract. Since this time, the department has acted upon that request. A table with a detailed description and timeline of our procurement process is demonstrated below.

Procurement Process

Timeline	Activity
7/2006	Phone books, Internet, and On-Line Yellow Pages reviewed for potential local vendors
7/2006	Development of potential vendor list (Attachment A) and Contract Opportunity Notice
8/2006	Potential Opportunity pre-bid letter for Large Printing and Mailing Contract was sent to thirty-eight (38) vendors within Santa Barbara County (local) and one out of county. (See Attachment B)
9/2006	Advertisement in local newspapers (Santa Barbara Newspress, Lompoc Record, Santa Maria Times) for three consecutive days (9/4/06,9/5/06,9/6/06)
9/7/06	Release of Request for Proposal
9/7/06	Posted Request for Proposal on Santa Barbara County Internet –Bid Opportunities
9/21/06	Bidders’ Conference held in Santa Barbara – (There were five (5) vendors in attendance; only one (1) local.)
10/19/06	Bids/Proposals due. (Three (3) bids were received; none from local vendors.)

Three (3) bids were received in response to our efforts by the requested due date, none of which would be considered local vendors. Following a comprehensive evaluation, the contract was awarded to DFS. Key considerations were: lowest aggregated cost, most comprehensive Disaster Recovery Plan, proximity and relationship with the primary CalWIN application vendor, and experience serving 14 of 18 CalWIN counties.

Over the past year, DFS has provided processing, printing, collating, inserting and mailing services for Santa Barbara County Social Services and has worked to establish a clear understanding of our county specific print and mailing needs. As a vendor who serves multiple CalWIN Counties in our consortium, DFS has exhibited a complete understanding of the complexities of our documents, timeframes for processing and mailing and has executed efficiencies in consolidation of mailings.

DFS has a fully automated facility with internal controls and processes which we feel protect us in the event of a disaster that might render a loss of power or building access with a comprehensive disaster recovery plan. This criterion was ranked high based on the need to meet our mandate of providing timely written notification to our clients. Lessons learned and best practices have been shared between counties who have contracted with this vendor and a relationship of support and service has been established when questions or clarification have surfaced. DFS has exhibited a very high level of customer service which is paramount when outsourcing an important function such as this.

Background:

On November 23, 1999, the Department of Social Services received your Board’s approval of the CalWIN Technology Agreement with Electronic Data Systems (EDS). The Santa Barbara County Department of Social Services implemented a new primary business application called the CalWORKs Information Network (CalWIN), for determining public assistance eligibility, computing and issuing

benefits, and tracking the provision of social services in March 2006. CalWIN meets federal requirements for a Statewide Automated Welfare System and replaced an antiquated system, Welfare Case Data System (WCDS), which no longer meets the functional requirements and technical standards of the current public assistance environment. Santa Barbara was one of eighteen other consortium counties that went live this year.

On January 12, 2006, the Department of Social Services requested approval to contract with Document Fulfillment Services (DFS), not a local vendor for the purpose of printing and mailing client correspondence from the CalWIN System. We informed your Board that Sacramento County who is part of a consortium of counties using the CalWIN System was the second pilot county to go live on the new system. They conducted a full procurement and granted the vendor DFS, an open-item contract so that other counties would have the option to reference their procurement. However, due to some concerns from local vendors your Board authorized the department to enter solely into a one year contract to allow time for a full procurement to be conducted.

Performance Measure:

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

In part due to our limited experience with the CalWIN system and uncertainty of future volume of correspondence, 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. In the future, as volume becomes more stable, these reports will be 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. A base number has not yet been fully established but we estimate approximately ten (10) questions / issues might arise each quarter)

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:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost included in Current FY Costs:</u>
General Fund	\$ 3,291.00	\$ 9,800.00	\$ 24.00
State			
Federal	\$ 63,876.00	\$ 190,200.00	\$ 476.00
Fees			
Other:			
Total	\$ 67,167.00	\$ 200,000.00	\$ 500.00

Narrative:

The increase in the contract amount is a result of increased projections in caseload and the anticipated use of new CalWIN functionality which will generate client correspondence when certain situations are triggered in caseload. Approval and execution of this contract will result in total direct contract expenditures of \$467,167. For FY 2006-07, contract expenditures will be \$67,167, including one time funding for bar coding. For each fiscal year thereafter, FY 2007-08 and FY 2008-09, contract expenditures will be \$200,000 per fiscal year.

Funding will come primarily from a mixture of Federal and State Funds. There is a 4.9% County Share. Appropriations and the additional County Share for FY 2006-07 have been included in the Department’s approved budget in the Program and Application Support sub-division of the Systems and Program Development Division. Appropriations for FY 2007-08 and FY 2008-09 will be included in the Department’s respective requested budgets.

Staffing Impacts:

<u>Legal Positions:</u>	<u>FTEs:</u>
0	0

Special Instructions:

After execution by the Chair, please return one (1) originally signed agreement for the contractor, the Department copy of the agreement and one (1) copy of the minute order, attention: Diana Klopp

Attachments:

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Vendor List (Attachment A)
Potential Contract Opportunity Notice (Attachment B)
Agreement for Independent Contractor (Attachment C)

Authored by:

Karin Traber

cc: