

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



FROM: Riverside County Auditor-Controller

SUBMITTAL DATE:
September 7, 2016

SUBJECT: Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department, Countywide Contract Amendments and Competitive Bidding [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department, Countywide Contract Amendments and Competitive Bidding

BACKGROUND:

Summary

We have completed a countywide audit to provide management and the Board of Supervisors with an independent assessment of internal controls over contract amendments and the competitive bidding process. We conducted the audit from November 27, 2015 through January 15, 2016 for active contracts during the period of July 1, 2013 through August 31, 2015.

(Continued on page 2)

Paul Angulo
Paul Angulo, CPA, MA
Riverside County Auditor-Controller

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	Consent <input checked="" type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	

SOURCE OF FUNDS: N/A

Budget Adjustment: No
For Fiscal Year: n/a

C.E.O. RECOMMENDATION:

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Prev. Agn. Ref.: | **District:** ALL | **Agenda Number:**

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department,
Countywide Contract Amendments and Competitive Bidding. [District: All]; [\$0]

DATE: September 7, 2016

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

Based upon the results of our audit, we identified opportunities for improvement of internal controls relating to contract amendments. We determined that internal controls over competitive bidding provide reasonable assurance that its objectives relating to this respective area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

We will follow-up to determine if actions were taken to correct the findings noted.

Impact on Citizens and Businesses

Provide an assessment of internal controls over the audited areas.

SUPPLEMENTAL:

Additional Fiscal Information

Not applicable

ATTACHMENTS:

A: Riverside County Auditor-Controller's Office Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department, Countywide Contract Amendments and Competitive Bidding.

Internal Audit Report 2016-001

**Riverside County Purchasing and Fleet
Services Department, Countywide Contract
Amendments and Competitive Bidding**

Report Date: September 7, 2016



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Riverside County Auditor-Controller

Frankie Ezzat, MPA
Assistant Auditor-Controller

September 7, 2016

Lisa Brandl
Director
Riverside County Purchasing and Fleet Services Department
2980 Washington Street
Riverside, CA 92504

Subject: Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department, Countywide Contract Amendments and Competitive Bidding

Dear Ms. Brandl:

We have completed a countywide audit to provide management and the Board of Supervisors with an independent assessment of internal controls over contract amendments and the competitive bidding process. This report assesses the Riverside County Purchasing and Fleet Services Department internal controls over the contract amendments and competitive bidding process. We conducted the audit from November 27, 2015 through January 15, 2016 for active contracts during the period July 1, 2013 through August 31, 2015.

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing. These standards require that we plan and perform the audit to obtain sufficient, reliable, relevant and useful information to provide reasonable assurance that our objective as described above is achieved. An internal audit includes the systematic analysis of information to evaluate and improve the effectiveness of internal controls. We believe this audit provides a reasonable basis for our conclusion.

Internal controls are processes designed to provide management reasonable assurance of achieving efficiency of operations, compliance with laws and regulations, and reliability of financial information. Management is responsible for establishing and maintaining adequate internal controls. Our responsibility is to evaluate the internal controls.

Based upon the results of our audit, we identified opportunities for improvement of internal controls relating to contract amendments. We determined that internal controls over competitive bidding provide reasonable assurance that its objectives relating to this respective area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

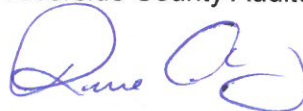
As requested, in accordance with paragraph III.C of the Board of Supervisors Resolution 83-338, management responded to the reported conditions and recommendations contained in our

**Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department,
Countywide Contract Amendments and Competitive Bidding**

report. Management's response is included in the report. We will follow-up to verify that management implemented the corrective actions.

We thank the Riverside County Purchasing and Fleet Services Department's management and staff for their cooperation. Their assistance contributed significantly to the successful completion of this audit.

Paul Angulo, CPA, MA
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA
Interim Chief Internal Auditor

cc: Board of Supervisors
Executive Office
Grand Jury

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Executive Summary

Overview

Riverside County Purchasing and Fleet Service Department (Purchasing Department) provides materials and services to county departments and agencies within the County of Riverside. The Purchasing Department consists of five divisions: Central Mail, Fleet Services, Printing, Purchasing, and Supply Services. The Purchasing Division is responsible for all aspects of contract management to include preparing amendments to contracts and managing the competitive bidding process. The Purchasing Division consists of 19 procurement contract specialists, two buyers, and two staff analysts. The Purchasing Division typically contracts for services such as, training, furniture, office supplies, and contract workers.

Pursuant to California Government Code Section 31000, the board of supervisors may contract for special services on behalf of the county, county officer, department, district, or court in the county. Riverside County Ordinance 459, indicates, the Board of Supervisors delegates contracting authority to the Purchasing Agent also known as the Director of Purchasing and Fleet Services. This ordinance authority includes the Purchasing Agent's authority to approve contract amendments and the competitive bidding processes.

Purchasing Policy Manual dated, February 1, 2013, requires the Purchasing Agent to obtain informal competitive bids for all purchases exceeding \$1,000 and formal written competitive bids for purchases exceeding \$25,000. To reflect the changes incorporated into the Riverside County Board of Supervisors Ordinance 459, which was approved by the Board of Supervisors on May 19, 2015, the Purchasing Policy Manual was revised on August 1, 2015 to increase the informal bid requirement for purchases exceeding \$5,000 and formal written competitive bid for purchases exceeding \$50,000.

Our sample population consists of all contracts that were active during our audit period of July 1, 2013 to August 31, 2015. Most contracts have a one year period of performance with the option to extend the contract up to four years. As such, some contracts selected could be as old as calendar year 2008 contracts.

The county does not maintain a system that records all contracts used by county departments. Each department manages their contracts manually or with a computer system, such as a contract management system or spreadsheet/database, or a combination of systems. As such, we utilized the County of Riverside's financial system known as PeopleSoft (PeopleSoft) database to select our sample of contracts for review of amendments and the competitive bidding process. The PeopleSoft database consists of contract records that were updated annually during our audit period. This update creates a new PeopleSoft contract that corresponds with the contract. Therefore, a one year contract with an option to renew four times could have five PeopleSoft contracts that correspond to the contract. Thirty-five PeopleSoft contracts used by the Purchasing Department were randomly selected for review. Twenty-one were countywide PeopleSoft contracts and 14 were Purchasing Department

**Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department,
 Countywide Contract Amendments and Competitive Bidding**

PeopleSoft contracts. The 14 Purchasing PeopleSoft contracts resulted in 10 actual contracts for review. We determined that the 21 countywide contracts would be reviewed with the other countywide contracts selected for review from the other County of Riverside departments being audited.

When a service or item is required, a bid number is established to begin the bidding process. A contract could be awarded to one or several vendors under one bid number. As such, several contracts could be established with one bid number. The PeopleSoft Contract corresponds to a specific contract within a bid number. Following is a breakdown of contracts selected for the amendments and competitive bidding review:

<u>Bid No.</u>	<u>PeopleSoft Contract No.</u>	<u>Date</u>	<u>Contract Amount</u>	<u>Amount Charged</u>	<u>Amount (Over)/Under</u>
PUARC-1160	PUARC-40523-002-03/12	04/01/11	\$2,070,000	\$ 673,521	\$1,396,479
	PUARC-40523-002-03/13				
	PUARC-40523-002-03/14				
	PUARC-40523-002-03/15*				
PUARC-1174	PUARC-94620-001-09/12	09/14/11	891,000	306,576	584,424
	PUARC-94620-001-09/13				
	PUARC-94620-001-09/14*				
PUARC-1247	PUARC-31000-001-06/13	06/28/12	1,497,782	323,420	1,174,362
	PUARC-31000-001-06/14*				
	PUARC-31000-001-06/15*				
	PUARC-31000-001-06/16*				
PUARC-1157	PUARC-31000-001-06/17	10/21/10	1,417,378	718,212	699,166
	PUARC-91558-001-10/11				
	PUARC-91558-001-10/12				
	PUARC-91558-001-10/13*				
PUARC-1261	PUARC-91558-001-10/14	11/15/12	585,000	344,466	240,534
	PUARC-66524-001-11/13*				
	PUARC-66524-001-11/14				
	PUARC-66524-001-11/15*				
PUARC-1113	PUARC-66524-001-11/16	12/29/09	190,000	202,251	(12,251)
	PUARC-05508-002-12/10				
	PUARC-05508-002-12/11				
	PUARC-05508-002-12/12				
PUARC-1181	PUARC-05508-002-12/13	09/27/11	209,856	142,815	67,041
	PUARC-05508-002-12/14*				
	PUARC-34532-001-09/12				
	PUARC-34532-001-09/13*				
PUARC-1291	PUARC-34532-001-09/14	07/30/13	25,000	147	24,853
	PUARC-34532-001-09/15*				
	PUARC-34532-001-09/16				
PUARC-1190	PUARC-20085-002-07/14*	11/21/12	50,000	1474	48,526

**Internal Audit Report 2016-001: Riverside County Purchasing and Fleet Services Department,
 Countywide Contract Amendments and Competitive Bidding**

	PUARC-20085-002-04/14*				
PUARC-1213	PUARC-47584-001-12/12	12/20/11	19,000	11,448	7,552
	PUARC-47584-001-12/14*				
	PUARC-47584-001-12/15				
	PUARC-47584-001-12/16				

* PeopleSoft contract selected to test the corresponding contract amendments and the competitive bidding process. Although this PeopleSoft contract was selected, the other PeopleSoft contracts listed without an asterisk were also reviewed.

We reviewed 14 purchasing and 81 department countywide contracts for a total of 95 PeopleSoft countywide contracts. See Schedule A for a summary of countywide contracts selected for the amendments and competitive bidding review.

Audit Objective

Our audit objective is to provide management and the Board of Supervisors with an independent assessment of the department's internal controls over contract amendments and the competitive bidding process.

Audit Conclusion

Based upon the results of our audit, we identified opportunities for improvement of internal controls relating to contract amendments. We determined that internal controls over competitive bidding provide reasonable assurance that its objectives relating to this respective area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

Amendments

Background

Amendments are formal changes to the terms and conditions, scope of work, specifications, or provisions of a contract. Reasons for issuing an amendment include, but are not limited to revising, deleting, or adding terms, extending the period of performance, and increasing or decreasing cost of the contract.

The Riverside County Purchasing Policy Manual (Purchasing Manual) is derived from Riverside County Board of Supervisors Ordinance 459.5 and further delegates purchasing authority limits. The Purchasing Manual allows an unlimited purchasing limit for personal property purchases, such as equipment and supplies. Currently, there are no government codes, regulations, or policies requiring purchasing limits for personal property purchases and the Purchasing Department stated it is Riverside County Office of County Counsel's (County Counsel) opinion that neither the public contract code nor the county ordinances stipulate an authorized dollar amount and as such, if competitively bid; there is no limit on their purchases. However, it may be in the best interest of the County of Riverside to establish purchasing limits for personal property purchases to ensure the Board remains informed and in control of large county expenditures. The Purchasing Department may consider amending the Purchasing Manual to include these policies and purchasing limits for personal property purchases.

Some personal property purchases include maintenance and support services as part of the purchase. However, these purchases are treated as personal property purchases because the support services are considered a minor element of the purchase. There are currently no laws or regulations requiring the separation of cost, but it may be in the best interest of the County of Riverside to establish procedures to separate cost of personal property and services to better monitor whether the support services requires Board approval. The Purchasing Department may want to consider amending the Purchasing Manual to include procedures for separating support services from personal property purchases to ensure all support services receive the proper approvals.

During our review of contract amendments, we determined that nine of the ten contracts were extended, but no amendments were processed. Although, there is no legal requirement for amendments, signed by both parties, when an option to extend the period of performance is accepted, preparing a written amendment would ensure the county and vendor fully understand when a contract ends and payments stop and strengthens legal binding to the contract. However, contracts with terms requiring a written amendment to extend the period of performance require a formal written amendment signed by both parties.

We identified extensions to the period of performance where it can be beneficial to prepare an amendment to document the agreement to extend the period of performance between both parties. Following is a summary of possible amendments for Purchasing Department contracts:

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<u>Bid No.</u>	<u>PeopleSoft Contract No.</u>	<u>Renewals</u>	<u>Extension Amounts*</u>	<u>Actual Amendments</u>	<u>Variance**</u>
PUARC-1160	PUARC-40523-002-03/15	3	\$1,645,000	-	3
PUARC-1174	PUARC-94620-001-09/14	2	594,000	-	2
PUARC-1247	PUARC-31000-001-06/15	4	1,050,000	-	4
PUARC-1157	PUARC-91558-001-10/13	3	1,056,778	-	3
PUARC-1261	PUARC-66524-001-11/15	3	560,000	-	3
PUARC-1113	PUARC-05508-002-12/14	4	160,000	-	4
PUARC-1181	PUARC-34532-001-09/15	4	184,856	-	4
PUARC-1291	PUARC-20085-002-07/14	-	-	-	-
PUARC-1190	PUARC-20085-002-04/14	1	25,000	-	1
PUARC-1213	PUARC-47584-001-12/14	3	16,000	-	3

* Aggregate cost of renewals excluding original contract cost.

** Variance is the difference between total possible extensions that could have been prepared and actual extensions signed by both parties.

See Schedule B for a summary of possible amendments for countywide contracts.

Objective

Our audit objective is to provide management and the Board of Supervisors with an independent assessment of internal controls over contract amendments processing.

Audit Methodology

To accomplish our objectives, we:

- Identified and reviewed policies, applicable laws, codes, regulations, and ordinances.
- Conducted interviews and performed walk-throughs with office personnel.
- Utilized PeopleSoft queries to identify cost charged to each contract.
- Selected samples of contracts to perform detailed testing of amendments.

Finding 1: Extending Contracts

Purchasing Department did not properly prepare contract amendments to extend the period of performance. Our review of contract amendments disclosed 15 out of 81 (19%) countywide contracts and one of 14 (7%) Purchasing Department contracts contained terms requiring written amendments to extend the period of performance. The period of performance was extended; however, no written amendments were prepared. The contracts specifically required written amendments for all renewals to extend the period of performance. Following is a

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 Countywide Contract Amendments and Competitive Bidding**

summary of contracts that the period of performance was extended without a required amendment.

Countywide Contracts:

<u>Bid No.</u>	<u>Vendor</u>	<u>Renewals</u>	<u>Amendments</u>	<u>Variance</u>
PUARC-1083	Nexus IS Inc.	1	-	(1)
PUARC-1118	Fontis Solutions	2	-	(2)
PUARC-1002	Advanced Copy Systems	4	-	(4)
PUARC-1002	GST	4	-	(4)
PUARC-1002	Konica Minolta Business Solutions	4	-	(4)
PUARC-1002	Toshiba Business Solutions	2	-	(2)
PUARC-1002	Ricoh	1	-	(1)
PUARC-993	Jaguar Computers	1	-	(1)
PUARC-1051	Dayle McIntosh Center	2	-	(2)
PUARC-1147	Burgess Moving and Storage	4	-	(4)
PUARC-1147	King Van and Storage Inc.	4	-	(4)
PUARC-1333	DJ's Towing	1	-	(1)
PUARC-1333	S and R Towing Inc.	1	-	(1)
PUARC-1301	Eagle Road Service and Tire	2	-	(2)
PUARC-1301	Daniels Tire Service	2	-	(2)

Purchasing Department Contracts:

<u>Bid No.</u>	<u>Vendor</u>	<u>Renewals</u>	<u>Amendments</u>	<u>Variance</u>
PUARC-1157	RKR Marketing and Advertising	3	-	(3)

It has been a practice to amend contracts for goods and services by extending the period of performance with a PeopleSoft contract instead of an official amendment signed by both parties. A purchase order, signed by purchasing, is sent to the vendor as notification of renewal of the contract. However, not preparing required official amendments, signed by both parties, may result in disputes on when a contract ends and payments stop, which may require legal proceedings to resolve.

Recommendation 1

Prepare a formal amendment signed by both parties for all period of performance extensions when contract terms specifically require a written amendment to extend the period of performance.

Management's Response

Partially Concur. Purchasing utilizes a standard service agreement contract template that was developed with the assistance of County Counsel. There is specific language in the template that indicates amendments will be in writing although it has been our practice to notify the vendor of contract renewals through a dispatched, signed purchase order. The department

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will work with County Counsel to modify the template language to allow for utilization of the dispatching of a signed purchase order or other electronic mechanism that assists with expediting processes and notifications to vendors.”

Actual/estimated Date of Corrective Action: September 1, 2016

“By September 1, 2016 the modified contract template will be posted to the Purchasing’s Intranet site for distribution to all procurement staff.”

Finding 2: Periods of Performance

Purchasing Department extended the period of performance on contracts beyond the allowable period. Our review of countywide contract amendments identified six of 81 (7%) contracts extended the period of performance beyond the approved period of performance and no formal amendment or new contract was prepared. Following is a summary of contracts that were extended beyond their period of performance without proper written approval:

<u>Bid No.</u>	<u>Vendor</u>	<u>Contract Start Date</u>	<u>Contract End Date</u>	<u>Actual End Date</u>
PUARC-1002	Advanced Copy Systems	11/12/09	11/11/14	12/31/15
PUARC-1002	GST	11/12/09	11/11/14	12/31/15
PUARC-1002	Konica Minolta Business	11/12/09	11/11/14	12/31/15
PUARC-1002	Toshiba Business Solutions	11/12/09	11/11/14	12/31/15
PUARC-1051	Lifesigns, Inc.	01/09/09	01/08/14	06/30/15
PUARC-1051	Dayle McIntosh Center	02/18/09	02/17/14	06/30/15

These contracts were extended to continue service to the County of Riverside until the competitive bid process was complete. Extending the period of performance on a contract without preparing a formal amendment or agreement signed by both parties, may result in disputes requiring legal proceedings to resolve.

Recommendation 2

Prepare a formal amendment or new agreement, signed by both parties when an extension is required.

Management’s Response

“**Concur.** Purchasing extended the maintenance contracts listed above in order to ensure there were continued services to county departments while services were rebid. In coordination with RCIT, Purchasing released a RFP for maintenance services. However, various changes to scope, changes to RCIT leadership, and the strategic development of technology standards postponed the actual award of new contracts.”

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Actual/estimated Date of Corrective Action: June 7, 2016

“On June 7, 2016 (M.O. 3-31) the Board approved new maintenance contracts with six vendors for a five-year period. Going forward, Purchasing will coordinate with RCIT to minimize changes to the scope in order to move forward with the timely installation of new agreements.”

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Riverside County Purchasing and Fleet Services Department
Report Date: September 7, 2016
Summary of Countywide Contracts Selected for Review

<u>Bid No.</u>	<u>PeopleSoft Contract No.</u>		<u>Contract Date</u>	<u>Allowable Amount</u>	<u>Amount Expensed</u>	<u>Contract Amount (Over)/Under</u>
HRARC-050	RIVCO-08010-001-6/14	(1)	5/14/2013	\$ 753,000	\$ 84,089	\$ 668,911
	RIVCO-08010-001-6/15					
PUARC-1256	RIVCO-08078-001-11/13	(1)	11/28/2012	200,000	54,603	145,397
	RIVCO-08078-001-11/14	(1)				
	RIVCO-08078-001-11/15					
	RIVCO-08078-001-11/17					
PUARC-1327	RIVCO-20400-001-07/15	(1)	7/1/2014	4,000,000	3,401,527	598,473
PUARC-1050	RIVCO-20400-001-11/09		12/1/2008	25,000,000	19,496,349	5,503,651
	RIVCO-20400-001-11/10					
	RIVCO-20400-001-11/11					
	RIVCO-20400-001-11/12					
	RIVCO-20400-001-11/13	(1)				
PUARC-1327	RIVCO-20400-002-07/15	(1)	7/1/2014	1,000,000	60,297	939,703
PUARC-1050	RIVCO-20400-002-11/09		12/1/2008	10,000,000	6,968,802	3,031,198
	RIVCO-20400-002-11/10					
	RIVCO-20400-002-11/11					
	RIVCO-20400-002-11/12					
	RIVCO-20400-002-11/13	(1)				
PUARC-1327	RIVCO-20400-003-06/19	(1)	7/1/2015	200,000	155,184	44,816
PUARC-1050	RIVCO-20400-003-11/09		12/1/2008	10,000,000	1,500,280	8,499,720
	RIVCO-20400-003-11/10					
	RIVCO-20400-003-11/11					
	RIVCO-20400-003-11/12					
	RIVCO-20400-003-11/13	(1)				
PUARC-1050	RIVCO-20400-004-11/09		12/1/2008	10,000,000	4,298,123	5,701,877
	RIVCO-20400-004-11/10					
	RIVCO-20400-004-11/11					
	RIVCO-20400-004-11/12					
	RIVCO-20400-004-11/13	(1)				
PUARC-1050	RIVCO-20400-005-11/09		12/1/2008	10,000,000	980,357	9,019,643
	RIVCO-20400-005-11/10					
	RIVCO-20400-005-11/11					
	RIVCO-20400-005-11/12					
	RIVCO-20400-005-11/13	(1)				
PUARC-1327	RIVCO-20400-007-07/15	(1)	7/1/2014	200,000	198,206	1,794
PUARC-1327	RIVCO-20400-008-06/19	(1)	7/1/2015	200,000	195,212	4,788
PUARC-1327	RIVCO-20400-009-07/15	(1)	7/1/2014	200,000	125,152	74,848
PUARC-1327	RIVCO-20400-011-07/15	(1)	7/1/2014	200,000	37,810	162,190
PUARC-1327	RIVCO-20400-012-07/15	(1)	7/1/2014	1,000,000	922,490	77,510
PUARC-1327	RIVCO-20400-015-07/15	(1)	7/1/2014	262,755	260,407	2,348
PUARC-1083	RIVCO-20420-001-04/14	(1)	4/9/2013	2,050,483	1,139,634	910,849
	RIVCO-20420-001-04/15					

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Summary of Countywide Contracts Selected for Review

<u>Bid No.</u>	<u>PeopleSoft Contract No.</u>	<u>Contract Date</u>	<u>Allowable Amount</u>	<u>Amount Expensed</u>	<u>Contract Amount (Over)/Under</u>
ITARC-179	RIVCO-20420-001-10/14	10/15/2013	\$3,000,000	\$ 42,919	\$ 2,957,081
	RIVCO-20420-001-10/15 (1)				
	RIVCO-20420-001-10/16				
ITARC-179	RIVCO-20420-003-10/14 (1)	10/15/2013	4,900,000	1,659,053	3,240,947
	RIVCO-20420-003-10/15 (1)				
	RIVCO-20420-003-10/16				
ITARC-179	RIVCO-20420-004-10/14	10/15/2013	1,000,000	2,085	997,915
	RIVCO-20420-004-10/15 (1)				
	RIVCO-20420-004-10/16				
ITARC-179	RIVCO-20420-005-10/14	10/15/2013	2,000,000	59,632	1,940,368
	RIVCO-20420-005-10/15 (1)				
	RIVCO-20420-005-10/16				
ITARC-179	RIVCO-20420-006-10/14	10/15/2013	3,000,000	600,750	2,399,250
	RIVCO-20420-006-10/15 (1)				
	RIVCO-20420-006-10/16				
PUARC-1083	RIVCO-20420-008-5/13 (1)	9/1/2009	1,000,000	516,011	483,989
PUARC-1200	RIVCO-20800-007-12/12	11/8/2011	32,306,045	20,392,230	11,913,815
	RIVCO-20800-007-12/13 (1)				
	RIVCO-20800-007-12/14 (1)				
	RIVCO-20800-007-12/15 (1)				
	RIVCO-20800-007-12/16				
PUARC-1225	RIVCO-39300-005-04/14	5/1/2013	2,475,000	1,856,768	618,232
	RIVCO-39300-005-04/15 (1)				
	RIVCO-39300-005-04/16 (1)				
PUARC-1288A	RIVCO-39356-001-09/14 (1)	9/4/2013	5,190,000	4,198,081	991,919
	RIVCO-39356-001-09/15				
	RIVCO-39356-001-09/19				
PUARC-1118	RIVCO-39500-006-06/13 (1)	8/1/2013	529,229	417,896	111,333
	RIVCO-39500-006-06/14				
	RIVCO-39500-006-06/15 (1)				
PUARC-1175	RIVCO-40500-002-10/12	10/3/2011	18,500,000	10,762,608	7,737,392
	RIVCO-40500-002-10/13				
	RIVCO-40500-002-10/14 (1)				
	RIVCO-40500-002-10/15				
	RIVCO-40500-002-10/16				
PUARC-1215	RIVCO-48500-002-10/13 (1)	11/2/2012	400,000	125,511	274,489
	RIVCO-48500-002-10/14 (1)				
	RIVCO-48500-002-10/15				
	RIVCO-48500-002-10/17				
PUARC-1215	RIVCO-48500-003-10/13	3/13/2013	295,000	191,210	103,790
	RIVCO-48500-003-10/14				
	RIVCO-48500-003-10/15 (1)				
	RIVCO-48500-003-10/17				

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PUARC-1002	RIVCO-60072-001-11/10	11/12/2009	\$ 4,329,826	\$ 3,497,958	\$ 831,868
	RIVCO-60072-001-11/11				
	RIVCO-60072-001-11/12				
	RIVCO-60072-001-11/13	(1)			
	RIVCO-60072-001-11/14				
PUARC-1002	RIVCO-60072-003-11/10	11/12/2009	944,322	539,569	404,753
	RIVCO-60072-003-11/11				
	RIVCO-60072-003-11/12				
	RIVCO-60072-003-11/13	(1)			
	RIVCO-60072-003-11/14				
PUARC-1002	RIVCO-60072-005-11/10	11/12/2009	4,811,881	4,086,420	725,461
	RIVCO-60072-005-11/11				
	RIVCO-60072-005-11/12				
	RIVCO-60072-005-11/13	(1)			
	RIVCO-60072-005-11/14	(1)			
PUARC-1002	RIVCO-60072-010-11/12	11/1/2009	558,579	488,479	70,100
	RIVCO-60072-010-11/13	(1)			
	RIVCO-60072-010-11/14				
PUARC-1002	RIVCO-60072-015-11/13	6/6/2011	200,000	22,725	177,275
	RIVCO-60072-015-11/14	(1)			
PUARC-1294	RIVCO-61545-001-09/14	(1) 9/3/2013	681,000	330,457	350,543
	RIVCO-61545-001-09/15	(1)			
	RIVCO-61545-001-09/18				
PUARC-1067	RIVCO-61545-001-12/10	12/21/2009	530,000	298,226	231,774
	RIVCO-61545-001-12/11				
	RIVCO-61545-001-12/12	(1)			
PUARC-1156	RIVCO-61577-001-12/11	12/21/2010	186,430	151,827	34,603
	RIVCO-61577-001-12/12				
	RIVCO-61577-001-12/13	(1)			
	RIVCO-61577-001-12/14	(1)			
	RIVCO-61577-001-12/15	(1)			
PUARC-1274	RIVCO-80171-001-10/14	(1) 11/1/2013	285,000	14,928	270,072
	RIVCO-80171-001-10/15	(1)			
	RIVCO-80171-001-10/18				
PUARC-445	RIVCO-91575-001-006-08/07	(1) 9/1/2006	500,000	263,913	236,087
PUARC-445	RIVCO-91575-002-024-08/07	(1) 9/1/2006	1,200,000	572,448	627,552
PUARC-445	RIVCO-91575-004-006-08/07	(1) 9/1/2006	1,000,000	633,629	366,371
PUARC-933	RIVCO-91800-008-10/10	10/20/2008	1,120,000	728,189	391,811
	RIVCO-91800-008-10/13	(1)			
LA County	RIVCO-91829-003-12/12	(1) 1/1/2012	3,472,215	3,228,245	243,970

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PUARC-1102	RIVCO-92045-001-08/10	8/11/2009	\$ 5,814,723	\$ 2,391,135	\$ 3,423,588	
	RIVCO-92045-001-08/11					
	RIVCO-92045-001-08/12					
	RIVCO-92045-001-08/13	(1)				
	RIVCO-92045-001-08/14	(1)				
PUARC-1102	RIVCO-92045-002-08/10	8/11/2009	5,089,635	3,252,099	1,837,536	
	RIVCO-92045-002-08/11					
	RIVCO-92045-002-08/12					
	RIVCO-92045-002-08/13	(1)				
	RIVCO-92045-002-08/14	(1)				
PUARC-1102	RIVCO-92045-003-08/10	8/11/2009	4,693,516	1,251,951	3,441,565	
	RIVCO-92045-003-08/11					
	RIVCO-92045-003-08/11					
	RIVCO-92045-003-08/13	(1)				
	RIVCO-92045-003-08/14	(1)				
PUARC-997	RIVCO-93145-006-12/10	1/6/2010	25,000,000	8,833,178	16,166,822	
	RIVCO-93145-006-12/11					
	RIVCO-93145-006-12/12	(1)				
	RIVCO-93145-006-12/13					
	RIVCO-93145-006-12/14	(1)				
PUARC-997	RIVCO-93145-007-12/10	1/14/2010	25,000,000	7,092,902	17,907,098	
	RIVCO-93145-007-12/11					
	RIVCO-93145-007-12/12					
	RIVCO-93145-007-12/13	(1)				
	RIVCO-93145-007-12/14	(1)				
PUARC-997	RIVCO-93145-011-12/11	1/7/2010	20,000,000	2,845,499	17,154,501	
	RIVCO-93145-011-12/12					
	RIVCO-93145-011-12/13	(1)				
	RIVCO-93145-011-12/14	(1)				
	WSCA Contract	RIVCO-95850-001-07/14	7/1/2014	3,070,000	2,336,150	733,850
	RIVCO-95850-001-07/15	(1)				
	RIVCO-95850-001-07/16					
RC-03028	RIVCO-96146-009-01/20	(1)	3/4/2015	580,000	277,481	302,519
PUARC-1051	RIVCO-96167-004-01/14	(1)	1/9/2009	150,000	99,040	50,960
PUARC-1051	RIVCO-96167-005-12/11		2/8/2009	330,000	79,558	250,442
	RIVCO-96167-005-12/12					
	RIVCO-96167-005-12/13	(1)				
PUARC-1147	RIVCO-96256-001-10/15	(1)	11/2/2010	70,000	35,632	34,368
PUARC-1147	RIVCO-96256-004-10/11		11/2/2010	45,000	10,740	34,260
	RIVCO-96256-004-10/12					
	RIVCO-96256-004-10/13					
	RIVCO-96256-004-10/14					
	RIVCO-96256-004-10/15	(1)				

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<u>Bid No.</u>	<u>PeopleSoft Contract No.</u>		<u>Contract Date</u>	<u>Allowable Amount</u>	<u>Amount Expensed</u>	<u>Contract Amount (Over)/Under</u>
PUARC-1333	RIVCO-96890-011-05/15	(1)	6/2/2014	\$ 150,000	\$ 5,068	\$ 144,932
	RIVCO-96890-011-05/16					
PUARC-1333	RIVCO-96890-014-04/15		5/15/2014	100,000	4,384	95,616
	RIVCO-96890-014-04/16	(1)				
PUARC-1355	RIVCO-99046-001-07/15	(1)	7/1/2014	1,000,000	584,561	415,439
PUARC-1355	RIVCO-99046-002-07/19	(1)	8/1/2015	1,500,000	970,615	529,385
PUARC-1355	RIVCO-99046-004-07/15	(1)	7/1/2014	519,224	517,279	1,945
PUARC-1301	RIVCO-99893-002-10/14	(1)	10/24/2013	1,800,000	182,624	1,617,376
	RIVCO-99893-002-10/15					
	RIVCO-99893-002-10/18					
PUARC-1301	RIVCO-99893-003-10/14	(1)	10/28/2013	3,340,000	2,305,603	1,034,397
	RIVCO-99893-003-10/15					
	RIVCO-99893-003-10/18					
				-	-	-
Totals				\$ 267,932,863	\$ 128,635,788	\$ 139,297,075

Notes:

(1) PeopleSoft contract selected to test the corresponding contract and its amendments.

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<u>Bid No.</u>	<u>PeopleSoft Contract No.</u>	<u>Renewals</u>	<u>Renewals Amount</u>	<u>Actual Amendments</u>	<u>Variance *</u>
HRARC-050	RIVCO-08010-001-6/14	1	\$ 653,000	-	1
PUARC-1256	RIVCO-08078-001-11/13	3	150,000	-	3
PUARC-1327	RIVCO-20400-001-07/15	-	-	-	-
PUARC-1050	RIVCO-20400-001-11/09	4	20,000,000	-	4
PUARC-1327	RIVCO-20400-002-07/15	-	-	-	-
PUARC-1050	RIVCO-20400-002-11/09	4	8,000,000	-	4
PUARC-1327	RIVCO-20400-003-06/19	-	-	-	-
PUARC-1050	RIVCO-20400-003-11/09	4	8,000,000	-	4
PUARC-1050	RIVCO-20400-004-11/09	4	8,000,000	-	4
PUARC-1050	RIVCO-20400-005-11/09	4	8,000,000	-	4
PUARC-1327	RIVCO-20400-007-07/15	-	-	-	-
PUARC-1327	RIVCO-20400-008-06/19	-	-	-	-
PUARC-1327	RIVCO-20400-009-07/15	-	-	-	-
PUARC-1327	RIVCO-20400-011-07/15	-	-	-	-
PUARC-1327	RIVCO-20400-012-07/15	-	-	-	-
PUARC-1327	RIVCO-20400-015-07/15	-	-	-	-
PUARC-1083	RIVCO-20420-001-04/14	1	750,000	-	1
ITARC-179	RIVCO-20420-001-10/14	2	2,000,000	-	2
ITARC-179	RIVCO-20420-003-10/14	2	3,900,000	-	2
ITARC-179	RIVCO-20420-004-10/14	2	1,500,000	-	2
ITARC-179	RIVCO-20420-005-10/14	2	2,000,000	-	2
ITARC-179	RIVCO-20420-006-10/14	2	2,000,000	-	2
PUARC-1083	RIVCO-20420-008-5/13	-	-	-	-
PUARC-1200	RIVCO-20800-007-12/12	4	25,906,045	2	2
PUARC-1225	RIVCO-39300-005-04/14	2	1,975,000	-	2
PUARC-1288A	RIVCO-39356-001-09/14	2	3,090,000	-	2
PUARC-1118	RIVCO-39500-006-06/13	2	329,229	-	2
PUARC-1175	RIVCO-40500-002-10/12	4	14,800,000	4	-
PUARC-1215	RIVCO-48500-002-10/13	3	300,000	-	3
PUARC-1215	RIVCO-48500-003-10/13	3	330,000	-	3
PUARC-1002	RIVCO-60072-001-11/10	4	3,982,826	-	4
PUARC-1002	RIVCO-60072-003-11/10	4	744,322	-	4
PUARC-1002	RIVCO-60072-005-11/10	4	4,445,214	-	4
PUARC-1002	RIVCO-60072-010-11/12	2	358,579	-	2
PUARC-1002	RIVCO-60072-015-11/14	1	100,000	-	1
PUARC-1294	RIVCO-61545-001-09/14	2	454,000	-	2
PUARC-1067	RIVCO-61545-001-12/10	2	430,000	-	2
PUARC-1156	RIVCO-61577-001-12/11	4	159,430	-	4
PUARC-1274	RIVCO-80171-001-10/14	2	190,000	-	2
PUARC-445	RIVCO-91575-001-006-08/07	-	-	-	-
PUARC-445	RIVCO-91575-002-024-08/07	-	-	-	-

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PUARC-445	RIVCO-91575-004-006-08/07	-	-	-	-
PUARC-933	RIVCO-91800-008-10/10	1	1,000,000	1	-
LA County	RIVCO-91829-003-12/12	-	-	-	-
PUARC-1102	RIVCO-92045-001-08/10	4	4,814,723	-	4
PUARC-1102	RIVCO-92045-002-08/10	4	4,089,635	-	4
PUARC-1102	RIVCO-92045-003-08/10	4	3,693,516	-	4
PUARC-997	RIVCO-93145-006-12/10	4	20,000,000	-	4
PUARC-997	RIVCO-93145-007-12/10	4	20,000,000	-	4
PUARC-997	RIVCO-93145-011-12/11	3	15,000,000	-	3
WSCA Contract	RIVCO-95850-001-07/14	2	2,170,000	-	2
RC-03028	RIVCO-96146-009-01/20	-	-	-	-
PUARC-1051	RIVCO-96167-004-01/14	-	-	2	(2)
PUARC-1051	RIVCO-96167-005-12/11	3	230,000	2	1
PUARC-1147	RIVCO-96256-001-10/15	-	-	4	(4)
PUARC-1147	RIVCO-96256-004-10/11	4	100,000	4	-
PUARC-1333	RIVCO-96890-011-05/15	1	100,000	-	1
PUARC-1333	RIVCO-96890-014-04/15	1	50,000	-	1
PUARC-1355	RIVCO-99046-001-07/15	-	-	-	-
PUARC-1355	RIVCO-99046-002-07/19	-	-	-	-
PUARC-1355	RIVCO-99046-004-07/15	-	-	-	-
PUARC-1301	RIVCO-99893-002-10/14	2	1,200,000	-	2
PUARC-1301	RIVCO-99893-003-10/14	2	1,690,000	-	2
Totals		119	\$ 196,685,519	19	100

Legend

Renewals - Total number of renewals for the contract.

Renewal Amount - Total cost of the renewals exclude original contract cost.

Actual Amendments - Total number of amendments prepared for the renewals.

Variance * - The difference between total possible renewals that could have been prepared and actual amendments signed by both parties.