



## **BOARD OF SUPERVISORS AGENDA ITEM REPORT** **CONTRACTS / AWARDS / GRANTS**

**Requested Board Meeting Date:** 08/17/2015

**or Procurement Director Award** ☐

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**Contractor/Vendor Name (DBA):** ADP, Inc.; Headquarters: Alpharetta, GA

**Project Title/Description:**

Enterprise Human Resource/Payroll, Benefits, eTime Management, and VirtualEdge

**Purpose:**

Amendment of Pima County Board of Supervisors (BOS) award: Discontinue the Benefits Call Center Services and the Dependent Verification Services; increase the quantity of employees using Health & Welfare Services and ADP Self Service; modify the rate per unit (unit cost) and frequency/unit of measure for ADP Self Service; and decrease the unit cost for Health & Welfare Services/Core Offering. These changes decrease by \$107,847.00 the cumulative contract total to \$11,866,654.00. Administering Department: Information Technology.

Pursuant to Pima County Procurement Code 11.24.010, Cooperative Procurement Authorized, the BOS awarded this five-year term contract, Master Agreement (MA) # 13\*202, for a cumulative contract total of \$11,974,501.00, effective 07/02/2013.

Discontinuation of Benefits Call Center Services, effective 04/30/2015: Human Resources staff will now provide these services to County employees.

Discontinuation of Dependent Verification Services, effective 06/30/2015: The unit cost of \$0.32 per benefit-eligible employee per month for 6400 employees is eliminated and, by discontinuing the services, decreases by \$73,728.00 the total contract costs for the remaining contract term. Human Resources staff will now provide these services to County employees.

Increase the quantity of employees using Health & Welfare Services and ADP Self Service, effective 08/17/2015: Based upon an annual audit, the quantity of employees using Health & Welfare Services is increased by 600 (from 6400 to 7000) employees and the quantity of employees using ADP Self Service is increased by 709 (from 7000 to 7709) employees.

Modify the Rate per Unit and Frequency/Unit of Measure for ADP Self Service, effective 08/17/2015: The Rate of \$1.25 per-employee-per-month is changed to a Rate of \$9636.25 per-month. The unit cost of \$1.25 remains the same for each employee, however, the increase in the quantity of employees (to 7709) increases by \$31,905.00 the total contract costs for the remaining contract term.

Decrease the unit cost of Health & Welfare Services/Core Offering, effective 08/17/2015: The unit cost of \$5.11 per benefits-eligible employee per month is decreased to \$4.41. This decrease in unit cost and the increase in quantity of employees (from 6400 to 7000) decreases by \$66,024.00 the total contract costs for the remaining contract term.

This Amendment # 01 for MA# 13\*202 v.6, is required to authorize the above-mentioned changes, effective dates as noted. The changes decrease by \$107,847.00 the awarded contract total of \$11,974,501.00 to a cumulative contract total of \$11,866,654.00. The expiration date of the contract remains 07/01/2018.

**Procurement Method:**



**Program Goals/Predicted Outcomes:**

Lower cost of ADP services to Pima County and improve customer service to employees. We anticipate that Pima County employees will feel more confident that their Benefits issues are being handled directly by Human Resources and that the Dependent Verification process will be significantly streamlined.

**Public Benefit:**

Lower cost to Pima County and provide improved Customer Service.

**Metrics Available to Measure Performance:**

Costs to Pima County will be lowered.

**Retroactive:**

Yes. Amendment was provided to Pima County after vendor performed its annual audit of account.

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**Original Information**

Document Type: \_\_\_\_\_ Department Code: \_\_\_\_\_ Contract Number (i.e., 15-123): \_\_\_\_\_

Effective Date: \_\_\_\_\_ Termination Date: \_\_\_\_\_ Prior Contract Number (Synergen/CMS): \_\_\_\_\_

☐ Expense Amount: \$ \_\_\_\_\_ ☐ Revenue Amount: \$ \_\_\_\_\_

Funding Source(s): \_\_\_\_\_

Cost to Pima County General Fund: \_\_\_\_\_

Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards

Vendor is using a Social Security Number? ☐ Yes ☐ No ☐ Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

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**Amendment Information**

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 13\*202

Amendment No.: One (01) AMS Version No.: 6

Effective Date: 08/17/2015 New Termination Date: Remains 07/01/2018

☒ Expense ☐ Revenue ☐ Increase ☒ Decrease Amount This Amendment: \$ (107,847.00)

Funding Source(s): General Fund

Cost to Pima County General Fund: \$ (107,847.00)

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Contact: Commodity/Contracts Officer Paul Turner pmr 8/3/15 8/3/15

Department: Procurement L. Williams 8/3/15 Telephone: 724-3723

Department Director Signature/Date: \_\_\_\_\_

Deputy County Administrator Signature/Date: Janet Burke 8-4-15

County Administrator Signature/Date: C. R. Mulberry 8/4/15  
(Required for Board Agenda/Addendum Items)

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# MASTER AGREEMENT

## PIMA COUNTY, ARIZONA

THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES CONTRACT EXECUTION

Master Agreement No: 1300000000000000202

MA Version: 6

Page: 1

Description: HR/Payroll, Benefits, eTime Management and VirtualEdge

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Pima County Procurement Department  
130 W. Congress St. 3rd Fl  
Tucson AZ 85701

Issued By: ANA WILBER  
Phone: 5207248166  
Email: ana.wilber@pima.gov

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Initiation Date: 07-02-2013  
Expiration Date: 07-01-2018

NTE Amount: \$11,866,654.00  
Used Amount: \$4,292,167.86

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ADP INC  
  
7474 W CHANDLER BLVD  
  
CHANDLER AZ 85226

Contact: Jean Pearsall  
Phone: 503-652-7816  
Email: jean\_pearsall@adp.com  
Terms: 0.0000 %  
Days: 30

Shipping Method: Vendor Method  
Delivery Type: STANDARD GROUND  
FOB: FOB Dest, Freight Prepaid

### Modification Reason

Per Amendment 01, changes made to line items for ADP Self Service, Core Offering-Benefits, and Ongoing Dependent Verifications-Benefits and reduced Threshold amounts respectively.

This Master Agreement incorporates the attached documents, and by reference all instructions, Standard Terms and Conditions, Special Terms and Conditions, and requirements that are included in or referenced by the solicitation documents used to establish this agreement. All Transactions and conduct are required to conform to these documents.

Number of Attachments: 2

Attachment Names: Contract Cover Page.pdf, Contract Documents - Confidential.pdf





# MASTER AGREEMENT DETAILS

Master Agreement No: 1300000000000000202

MA Version: 6

Page: 2

Line	Description					
1	Free Form Line Item					
	Service Contract Amt			Service From	Service To	
	\$0.00			--	--	
2	HR/Payroll Implementation Services					
	Service Contract Amt			Service From	Service To	
	\$0.00			--	--	
3	Time and Labor Management Implementation Services					
	Service Contract Amt			Service From	Service To	
	\$0.00			--	--	
4	Benefit and Administration Implementation Services					
	Service Contract Amt			Service From	Service To	
	\$0.00			--	--	
5	Talent Acquisition Implementation Services					
	Service Contract Amt			Service From	Service To	
	\$0.00			--	--	
6	Payroll Production Fee					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$1.38	29522		
7	ADP Self Service					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$1.25	29522		
8	EPS Monthly Hosting Fee					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$16160	29522		
9	Y/E Info, Tax Reporting, W-2s					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$3	29522		
10	Garnishment Services - Payments					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$1.6	29522		
11	Tax Service - Jurisdictions					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$20	29522		
12	ADP Enterprise eTime Core					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$1.4	29522		
13	ADP Enterprise eTime Web					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$1.4	29522		
14	Additional Manager Licenses					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$5	29522		
15	ADP Enterprise eTime Accruals					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$0.4	29522		
16	ADP Enterprise eTime Leave Management Module					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$0.6	29522		
17	Monthly Hosting Services TLM					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	MO	\$7800	29522		
18	InTouch Terminal Fee, TLM Clocks					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	MO	\$118	29522		
19	Core Offering, Benefits					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$4.41	29522		
20	Ongoing Dependent Verifications, Benefits					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$0	29522		
21	VE Professional, Applicant Tracking					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	MO	\$5600	29522		
22	VE Salute, Applicant Tracking					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	MO	\$3360	29522		



# MASTER AGREEMENT DETAILS

Master Agreement No: 13000000000000000202

MA Version: 6

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Line	Description					
23	Electronic I-9 Processing					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$2	29522		
24	Miscellaneous Items					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	EA	\$0	29522		
25	ADP Self Service, per Amendment 01					
	Discount	UOM	Unit Price	Stock Code	VPN	MPN
	0.0000 %	MO	\$9636.25	29522		



**FIRST AMENDMENT**  
**TO**  
**MASTER SERVICES AGREEMENT**  
**BETWEEN**  
**ADP, LLC**  
**AND**  
**PIMA COUNTY, ARIZONA**

This First Amendment (the "First Amendment"), made as of \_\_\_\_\_, 2015 ("First Amendment Effective Date") between ADP, LLC ("ADP"), and Pima County, Arizona ("Client") contains changes, modifications, revisions and additions to the terms and conditions of the Master Services Agreement dated July 2, 2014, as amended (collectively, the "Agreement"), between the parties hereto.

Now, therefore, in consideration of the mutual covenants contained in the Agreement and herein, and for other good and valuable consideration, ADP and Client hereby agree as follows:

1. **Discontinuation of Benefits Call Center Services.** Effective April 30, 2015 ("Call Center Termination Date"), Client will no longer receive and ADP will no longer provide Benefit Call Center Services. Notwithstanding anything to the contrary set forth in the Agreement, effective the Call Center Termination Date all provisions related to the Benefit Call Center Services shall be deleted in their entirety from the Agreement without further action by Client or ADP.
2. **Discontinuation of Dependent Verification Services.** Effective June 30, 2015 ("Dependent Verification Termination Date"), Client will no longer receive and ADP will no longer provide Dependent Verification Services. Notwithstanding anything to the contrary set forth in the Agreement, Dependent Verification Termination Date all provisions related to the Dependent Verification Services shall be deleted in their entirety from the Agreement without further action by Client or ADP.
3. **Annex Z, Section 5.4.** Section 5.4 of Annex Z is hereby amended by deleting from Section 5.4 the following:

Item / Description	Rate Per Unit	Frequency / Unit of Measure	Assumption / Note	Estimated Units *	Estimated Frequency *	Estimated Annual *
<b>HR/Payroll Services</b>						
<i>HOSTING</i>						
ADP Self Service	\$1.25	Per employee per month	An "employee" is any employee in active status , in the HR database	7,000	12	\$105,000.00

**\*1835944-04-W-4\***





and replacing it with the following:

Following are the employee's counts that were used in calculating your monthly flat rate:

Total Employees 13, 304  
7,209 ESS/Portal Users  
6,000 Precinct Employees

$7,209 + 500$  (1 month of Precinct EE count) =  $7,709 \times \$1.25 = \$9,636.25$  New monthly flat rate

Item / Description	Rate Per Unit	Frequency / Unit of Measure	Assumption / Note	Estimated Units *	Estimated Frequency *	Estimated Annual *
<b>HR/Payroll Services</b>						
<i>HOSTING</i>						
ADP Self Service	\$9,636.25	Per Month	This is subject to change with an annual audit that will be conducted during annual price increase time period. Fee changes based on increase or decrease in the employee count	7,709	12	\$115,635.00

4. **Annex Z, Section 5.4.** Section 5.4 of Annex Z is hereby amended by deleting from Section 5.4 the following:

<b>Health &amp; Welfare Services</b>						
<i>CORE APPLICATION</i>						
Core Offering	\$5.11	Per benefit eligible employee per month	A benefit eligible employee is an employee that is eligible for health & welfare benefit plans that County offers	6,400	12	\$392,448.00
<i>NATIONAL ACCOUNTS SERVICE CENTER (NASC)</i>						
NASC (Call Center)	Included		Available for 10 consecutive hours per day, Monday through Friday, 8:00 AM-8:00 PM Eastern Time (ET), except holidays; start time to be specified by Client	6,400	12	\$0.00

**\*1835944-04-W-4\***

[\*\*\*AMD1629018-003 \*4 \*525819261699929530786909308321020083563539175478\*W\*4\*\*\*]

**FIRST AMENDMENT**

Client: Pima County, Arizona

and replacing it with the following:

Health & Welfare Services						
CORE APPLICATION						
Core Offering	\$4.41	Per benefit eligible employee per month	A benefit eligible employee is an employee that is eligible for health & welfare benefit plans that County offers	7,000	12	\$370,440.00
NATIONAL ACCOUNTS SERVICE CENTER (NASC)						
NASC (Call Center)	Not Included					

5. This First Amendment may be executed in multiple original copies, identically worded, and each such executed copy constitutes an original. Facsimile signatures, electronic signatures in connection with the electronic signature delivery system utilized by ADP and signatures transferred in .pdf or a similar format for scanned copies of documents are original signatures for all purposes of this First Amendment and the Agreement.
6. All other terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of this First Amendment and the terms and conditions of the Agreement, this First Amendment shall prevail. The terms defined in the Agreement and used in this First Amendment shall have the same respective meanings as set forth in the Agreement, unless clearly otherwise defined in this First Amendment.

**IN WITNESS WHEREOF**, the parties hereto have caused this First Amendment to be duly executed by its authorized representatives as of the date first above written.

**ADP, LLC****PIMA COUNTY, ARIZONA**By: Name: **Jack Cassetori**Title: **SVP, Field Support Services**Date: **07.29.15**

By: \_\_\_\_\_

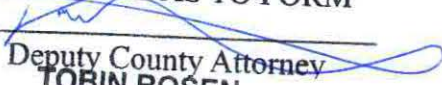
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM  
ADP LEGAL  


APPROVED AS TO FORM

  
Deputy County Attorney  
**TOBIN ROSEN**

**\*1835944-04-W-4\***

[\*\*\*AMD1629018-003 \*4 \*525819261699929530786909308321020083563539175478\*W\*4\*\*\*]



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