

APPROVE ENTERING INTO A GAINSHARE AGREEMENT WITH VARIOUS VENDORS FOR

RECOVERY AUDIT SERVICES

Approve entering into a gainshare agreement with various vendors to provide Recovery Audit Services to the department of Procurement and Contracts at a total aggregate cost not to exceed \$1,000,000.00 (vendors shall be compensated on a percentage of the recoveries). Vendors were selected on a

SCOPE OF SERVICES:

The vendors will provide professional supplier contract compliance reviews and Accounts Payable recovery audit services in addition to recommendations and improvements to processes and procedures.

The recovery audit services shall include the identification and recovery of overpayments and identifying how the overpayment occurred. Such reasons include but are not limited to the following:

- a) Duplicate payment/duplicate billing
- b) Payments to incorrect supplier
- c) Payment outside of agreed terms
- d) Document problems
- e) Sales tax issues
- f) Misapplied returns and rebate issues
- g) Freight issues
- h) Fraud issues
- i) Overcharges of allocated charges

DELIVERABLES:

Vendors shall provide the following deliverables: 1) Review and analyze Accounts Payable and

Procurement information from the Board's internal and external sources to discover overpayments. 2)

- As it specifically pertains to Waste Management Services and other possible similar onsite audit opportunities, PAS' contingency based compensation will be adjusted to recognize the same fee structure as that of Revenew International, LLC if both of the following conditions are met:

1. CPS' Chief Procurement Officer provides prior approval of the audit structure, work to be conducted, and fee structure; and
2. The onsite audit/compliance testing reflects the same effort as would be provided by Revenew, including but not limited to, Professional Auditing Services providing an onsite visit to the vendor's facilities for a minimum of a five day duration.

REIMBURSABLE EXPENSES:

Vendors may be reimbursed for travel expenses. Expenses will be reimbursed only if the recoveries from the vendor's audit exceed the requested reimbursable expenses. All reimbursable expenses require the prior approval of the Chief Procurement Officer or designee. The total compensation amount reflected herein is inclusive of all reimbursable expenses.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written agreements.

Authorize the President and Secretary to execute the agreements. Authorize the Chief Procurement Officer to execute all ancillary documents required to administer or effectuate the agreements.

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in

Approved for Consideration:



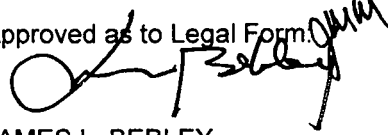
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



JEAN-CLAUDE BRIZARD
Chief Executive Officer

Approved as to Legal Form.



JAMES L. BEBLEY
General Counsel