

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

June 10, 2025

FROM

PETE MENDOZA, Director, Purchasing Department

SUBJECT

Agreement with Corporate Travel Management North America, Inc. for Travel Management Services

RECOMMENDATION(S)

Approve **Agreement No. 25-424** with Corporate Travel Management North America, Inc., including non-standard terms, for Travel Management Services, at fixed rates as shown in Appendix B, for the term of June 10, 2025, through June 9, 2028.
(Presenter: Pete Mendoza, Director, 387-2073)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of the recommended Agreement will not result in the use of additional Discretionary General Funding (Net County Cost). Departments that require the Travel Management Services are responsible for ensuring adequate funding for these services is included in their respective budgets. The services are for fixed rates from \$1 to \$25, as shown in Appendix B. The table below provides estimated all spend for these travel services for 2025-26. The Annual Spend represent the county as a whole.

Services	Trips	Average Per Trip	Annual Spend
Hotel	5,000	\$603.37	\$3,016,866.00
Air Fare	2,480	\$500.98	\$1,242,928.00
Car Rental	670	\$207.27	\$ 139,285.00

BACKGROUND INFORMATION

The Purchasing Department (Purchasing), in collaboration with the Auditor-Controller/Treasurer/Tax Collector, has worked to research and identify a solution compatible with the current SAP Concur Travel Management (SAP Concur) system. This system will assist with hotel reservations, flight bookings, and car rental services, providing all County departments with access to these travel services within a single platform. The National Association of State Procurement Officers (NASPO) contract satisfies the County's competitive procurement requirement under County Policy 11-04. Since there is no California participating addendum, the County chose to enter into a direct agreement with Travel Management North America, Inc. (CTM). Additionally, the NASPO contract allows departments to procure travel

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reservations from the vendor under the terms and fixed rates of the agreement. CTM offers ticket management and distribution services to help agencies efficiently plan travel, recover unused tickets, and comply with travel policies. These services integrate seamlessly with the SAP Concur system to provide a unified travel experience.

Using their automated system, CTM Banx, the full lifecycle of exchanged and unused airline tickets is tracked. CTM Banx tracks credit usage, flags tickets requiring name changes, and logs the value of unused tickets in traveler profiles. CTM Banx uses system-driven validations and prompts to ensure credits and predefined reason codes are applied when they are not initially inputted by travelers and administrators. Travelers and administrators receive reminders to use available credits at set intervals (e.g., 30, 60, or 90 days). CTM Banx integrates with both online and traditional booking tools to make credits visible and usable during the booking process, directly within the SAP Concur system.

CTM's ticket distribution services include:

- Timely delivery of electronic itineraries and receipts, or paper documents when necessary.
- A quality control program to ensure accurate bookings.
- Automated pre-trip audits to secure the lowest compliant fare.
- Full compliance with travel policies and approval workflows.
- Detailed passenger records, including exceptions, reason codes, and fare comparisons.
- Mobile app integration for easy access to booking and travel updates.

These services will work together with SAP Concur to streamline the travel management process, ensuring transparency, compliance, and cost savings, while making travel easier for both travelers and administrators.

The Agreement includes terms that differ from the standard County contract and omits certain County standard contract terms. The non-standard and missing terms include the following:

1. The governing law is Delaware.
 - The County standard contract requires California governing law.
 - Potential Impact: The Agreement will be interpreted under Delaware law. Any questions, issues or claims arising under this Agreement will require the County to hire outside counsel competent to advise on Delaware law, which may result in excess fees.
2. The County is required to indemnify CTM against all claims and losses, except for intellectual property claims.
 - The County standard contract does not include any indemnification or defense by the County of a contractor.
 - Potential Impact: By agreeing to indemnify CTM, the County could be contractually waiving the protection of sovereign immunity. Claims that may otherwise be barred against the County, time limited, or expense limited could be brought against CTM without such limitations and the County could be responsible to defend and reimburse CTM for costs, expenses, and damages. County Counsel cannot advise on, whether and to what extent, Delaware law may limit or expand this Agreement term.

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3. The Agreement does not require CTM to meet the County's insurance standards as required pursuant to County Policy 11-07.
 - The County Policy requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department and set forth in the County standard contract.
 - Potential Impact: The Agreement does not include County standard insurance requirements. This means that the County has no assurance that CTM will be financially responsible for claims that may arise during the Agreement term.
4. CTM's maximum liability to the County is limited to the fees paid under the contract in the preceding 12 months.
 - The County standard contract does not include a limitation of liability.
 - Potential Impact: Claims could exceed the liability cap and the Agreement amount leaving the County financially liable for the excess. County Counsel cannot advise on, whether and to what extent, Delaware law may limit or expand the exclusion of limits to the extent prohibited by applicable law.

Purchasing recommends approval of the Agreement, including non-standard terms, to allow County departments to schedule flights, hotels, and car rentals using an all-in-one system.

PROCUREMENT

NASPO Valuepoint is a cooperative purchasing program that helps facilitate public procurement and can provide competitive pricing options due to its collective purchasing power. The procurement under NASPO consists of a competitive process conducted by a lead agency. Through this procurement the County has entered into a direct agreement with CTM, as California does not have a direct participation addendum.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Adam Ebright, Deputy County Counsel, 387-5455) on May 15, 2025; Auditor-Controller/Treasurer/Tax Collector (Rowena Barcelona-Nuqui, Deputy Chief SAP, 382-7046) on April 22, 2025; Purchasing (Leo Gomez, Purchasing Manager, 387-2063) on April 22, 2025; Risk Management (Stephanie Pacheco, Staff Analyst II, 386-9039) on May 29, 2025; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on May 20, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 23, 2025.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 10, 2025



cc: Purchasing - Barajas w/agree
Contractor - c/o Purchasing w/agree
File - w/agree
MBA 06/24/2025