



Legislation Text

File #: 23-0380, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Cooperative Procurement 23-084, Advanced Timekeeping and Scheduling Software, to Ultimate Kronos Group Inc., for an amount not to exceed \$1,327,112, plus a 3% contingency, and for a five-year term

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Finance Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

For more than two decades, the City has utilized an electronic timekeeping and scheduling solution to track employees' time and attendance to generate an accurate payroll. Over the years, the technology available in this area has improved considerably. In 2016, the City upgraded to an advanced timekeeping and scheduling software solution when it implemented Novatime. While this solution served the City's basic needs over the past seven years, the technology never fully lived up to expectations, particularly in its ability to serve as a scheduling solution in the Fire and Police departments. Other shortcomings include a lack of custom reporting, failure to eliminate certain manual payroll processes, and an inability to fully establish an employee-driven time management process.

As the City entered the final year of the agreement with Novatime in 2022, staff began discussing the future of timekeeping and scheduling. During those discussions, staff learned that Novatime had recently been acquired by Ultimate Kronos Group (UKG). In August, UKG informed the City that they did not intend to maintain the Novatime product beyond 18 months and would move Novatime customers to the UKG Dimensions platform.

Understanding that there was no option but to identify a new timekeeping solution, staff immediately began researching alternative products.

DISCUSSION:

The research included, but was not limited to, polling public sector Finance departments on various forums across the U.S. on their experience with timekeeping solutions and to personally contacting comparable municipalities regarding timekeeping software and experiences. The two leaders in public sector timekeeping solutions were identified as Tyler Executime and UKG Dimensions/Telestaff.

Staff from the Finance Department assembled an evaluation committee that included stakeholders from every City department, including the Library and Naper Settlement. The committee hosted product demonstrations with each vendor that included both timekeeping and advanced scheduling solutions. Stakeholders from the Fire and Police departments conducted additional demonstrations focused on the capabilities of managing the highly complex scheduling needs of those two departments.

After a thorough evaluation, the committee agreed that UKG Dimensions and Telestaff presented the superior solution over Tyler Executime. The UKG product meets the City's demands for a timekeeping and scheduling solution while addressing the shortcomings of Novatime. The evaluation committee noted that the UKG product provided a more user-friendly interface that was more intuitive than the Tyler product. Improvements that will be achieved through the implementation of this software solution include:

1. Leading public software for scheduling (Telestaff), which meets the needs of public safety departments, including maximized automation of bidding processes
2. Automated leave accrual policies
3. Real-time KPIs to gain insight into employee performance against goals and objectives
4. Better visualization tools to help supervisors review time management accurately
5. Real-time labor analytics
6. Ability to use mobile access
7. Greater employee-driven time management capabilities
8. Continuous training for employees to further leverage the system

Staff sought feedback from other public sector users of these two products. That feedback was overwhelmingly positive for the UKG product, while users of the Tyler solution noted implementation challenges and difficulty in managing public safety schedules.

Staff identified an approved cooperative contract, Omnia Cooperative Contract 18220 through UKG/Kronos, for the procurement of the Advanced Timekeeping and Scheduling Software. The cooperative contract provides for software implementation, new timeclocks, employee training, annual software service (SaaS) fees, and timeclock maintenance agreements. Staff negotiated an additional \$79,000 in implementation cost savings beyond those offered through the cooperative pricing discounts.

The initial term of the contract is five years, beginning on the date of the signed agreement. After the initial five-year term, the agreement renews annually with cost increases not to exceed 4% over the previous term.

FISCAL IMPACT:

CIP#: EG014

The 2023 - 2027 Capital Improvement Program includes \$825,000 for project EG014 - Advanced Timekeeping and Scheduling System. Implementation costs totaling \$363,777 will be expensed as a capital cost. The 2023 budget includes \$25,000 for this project, with the remainder to be budgeted accordingly in 2024.

Staff is requesting a 3% contingency on the implementation costs noted above to address any

unforeseen changes in scope during the implementation period, which commonly occurs during technology implementation projects.

Account Number	Fund Description	Total Budget Amount
15102200-551504	Capital Projects Fund	\$25,000
15101300-551504	Electric Utility Fund	\$0
15102000-551504	Water Capital Fund	\$0

Once the software is implemented, annual service and maintenance fees will be allocated to the operating budget. The citywide timekeeping software and maintenance fees total \$147,300 annually. Those costs will be shared proportionally by the General, Electric, and Water funds according to their percentage of payroll. Annual fees for the public safety scheduling software total \$43,968 and will be shared proportionally according to their usage. All annual fees will be budgeted accordingly beginning in 2024.

Account Number	Fund Description	Total Budget Amount
15101100-531312	General Fund	\$181,850
15101300-531312	Electric Utility Fund	\$32,000
15101500-531312	Water Utilities Fund	\$32,000
21101100-531312	General Fund	\$842,926
22101100-531312	General Fund	\$289,020