Information Item

Date:	May 13, 2025
To:	Mayor, Mayor Pro Tempore, and Members of the City Council
From:	Tom Kureczka, Chief Information Officer Angel Wright-Lanier, Assistant City Manager

Subject: New Human Resources Information System (HRIS)

Strategic Focus Area: Service Excellence
Strategic Objective: Ensure Service Delivery Efficiency and Effectiveness
Strategic Plan Action Item: No
Key Work Item: Yes

Replacing the City's current Human Resources Information System (HRIS) is a key work item for the Human Resources, Finance, and Information Systems Departments. The current system was implemented in 1996 as the initial business system migrated off the City's legacy mainframe computers. Considering the age of the system, it has served the City well at an affordable annual cost. While staff has upgraded the system with vendor updates periodically over the years, at this time the system has very critical limitations. The vendor has announced that the software platform will be end-of-life on December 31, 2026, with no support provided beyond. Staff has also been informed by the City's existing Time & Attendance System vendor that their platform will be end-of-life and no longer supported as of March 31, 2027.

Staff wrote a Request for Proposal (RFP) for a new HRIS solution based on the City's business needs and requirements. The RFP was released to the public, with fifteen vendors responding with proposals. The RFP required that to be considered as a candidate a solution must meet the City's HRIS business needs. Meeting the Time & Attendance requirements was an option, but at a minimum the solution must be able to at least integrate with the Time & Attendance system. Staff used the review and scoring criteria as defined in the RFP to identify seven vendors to invite on-site for demonstrations of their solution and services.

Staff then used scoring criteria as defined in the RFP process for the review and scoring of the seven vendor presentations. The top-three ranked vendors where then invited to participate in one more round of presentations to staff, these being in a virtual setting. Based on the observations and scoring of this second round of presentations staff selected the HRIS solution proposed by UKG. The scoring panel included three representatives from the Human Resources and Finance Departments and two from the Information Systems Department. Other staff from all three departments participated in the on-site and virtual demonstrations and provided feedback and comments.

Staff anticipates presenting a request to Council in June for the approval to proceed with a contract with the UKG for their cloud based HRIS solution. Staff is currently working with Kronos on a final Statement of Work (SOW). The SOW will include total subscription counts, historical data migration plans, a list of required reporting needs, and a plan and budget for interfaces to other business systems.

Key features of the UKG solution include:

- Centralized Data: Unifies employee, payroll, timekeeping records.
- Timekeeping: Tracks schedules, overtime, and provides electronic and mobile timesheet entry.
- Employee Self-Service Portal: Manages data, benefits, leave, and personal data.
- Benefits: Automates open enrollment and associated reporting needs.
- Compliance: Meets EEO, FMLA, ACA, FLSA requirements and regulations.
- Cloud and web browser-based solution that supports mobile devices.

Staff plans to submit an item in June to City Council requesting approval for a contract with UKG for five years. The Council Action Request Form and Resolution documents will include the total cost of the five-year contract with UKG. They will also share other project related costs, which will include staff augmentation to allow staff to participate on the project team without compromising on-gong business operation and project management assistance. The staff augmentation will be accomplished with external consulting services.

Estimated project costs:

- One-time UKG professional services - $1,250,000
- Staff augmentation and consulting services - $1,500,000
- Annual UKG software subscription costs - $810,000
  - Five-year subscription costs - $4,050,000
- First year funds commitment - $3,560,000