

RESOLUTION APPROVING A CONTRACT WITH UKG INC. FOR A NEW HUMAN RESOURCES INFORMATION SYSTEM (HRIS)

WHEREAS, replacing the City's existing Human Resources Information System (HRIS), which was implemented in 1996, is a key work item for the Human Resources, Finance, and Information Technology Departments; and

WHEREAS, the current vendor has announced that the software platform will be end-of-life on December 31, 2026, with no support provided beyond; and

WHEREAS, staff has also been informed by the City's existing Time & Attendance System vendor that their platform will be end-of-life as of March 31, 2027; and

WHEREAS, staff released a Request for Proposal (RFP) for a new HRIS solution based on the City's business needs, with 15 vendor responses received; and

WHEREAS, based on the defined scoring criteria, staff identified and invited seven vendors on-site for demonstrations of their solution and services; and

WHEREAS, based on the scoring criteria staff then identified and invited the top-three ranked vendors to participate in one more series of presentations to staff; and

WHEREAS, based on the observations and scoring of the second series of presentations, staff recommends the cloud based HRIS solution proposed by UKG Inc. (UKG) for the City's new HRIS solution; and

WHEREAS, key features of the UKG solution include Centralized Data, Timekeeping, Employee Self-Service Portal, Benefits, Compliance, and a Cloud and web browser-based solution that supports mobile devices; and

WHEREAS, UKG Inc. has over 25 years of experience in developing, implementing, and providing HRIS and payroll solutions, with more than 2,500 public sector customers; and

WHEREAS, the implementation of the UKG solution will result in the elimination of annual license and support costs of \$381,170 for existing software products and timeclocks; and

Winston-Salem City Council
APPROVED
June 16, 2025

WHEREAS, the project's Steering Committee has developed a staff augmentation plan to strategically address resource gaps resulting from reassigning the responsibilities of experienced staff to the new project, with estimated costs of \$2,000,000; and

WHEREAS, the proposed first-year cost of the contract with UKG Inc. is \$1,594,698, with \$784,677 for professional services and \$810,021 for first-year hosted subscription fees; and

WHEREAS, UKG Inc. has made a commitment that the annual subscription fees will not increase for the first five years of service; and

WHEREAS, the total estimated first-year implementation costs are \$2,928,031, and the total five-year costs will be \$6,834,782; and

WHEREAS, approval is requested to enter into a contract with UKG Inc., with funding for the one-time implementation services, first-year subscription costs, and staff augmentation allocated in the Employee Benefits Fund reserves; and

WHEREAS, approval is also requested that authorization be provided to renew the contract with UKG Inc. for four (4) consecutive one-year terms.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem hereby authorize the City Manager to enter into a contract with UKG, Inc. for a new Human Resources Information System in the amount of \$4,834,782.

BE IT FUTHER RESOLVED that the City Manager is hereby authorized to execute the contract on behalf of the City, with the City Attorney approving as to form and legality.