



Monterey County

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Board Report

Legistar File Number: A 15-241

July 14, 2015

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Current Status: Agenda Ready

Matter Type: BoS Agreement

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 7 to the Agreement (A-11065) with Kronos, Inc., for software support and professional services at NMC, extending the Agreement an additional one (1) year period for a revised full term of November 20, 2007 through June 30, 2016 and adding \$126,328 for a revised total Agreement amount not to exceed \$2,582,692.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 7 to the Agreement (A-11065) with Kronos, Inc., for software support and professional services at NMC, extending the Agreement an additional one (1) year period for a revised full term of November 20, 2007 through June 30, 2016 and adding \$126,328 for a revised total Agreement amount not to exceed \$2,582,692.

SUMMARY/DISCUSSION:

On November 20, 2007, the Board of Supervisors authorized NMC to enter into an Agreement with Kronos, Inc. to purchase the Kronos Time & Attendance software application and the Scheduler and Workforce Analytics modules with an amount not to exceed \$558,930. This original Agreement was a result of the Request for Information (RFI) #10010. The Agreement included payment for initial Software Licensing and Support Services and Equipment. NMC purchased this Application to appropriately schedule staff, to capture and allocate all productive and non-productive time worked, and to provide managers with the tools necessary to assist them in meeting the hospital adopted productivity standards.

On June 8, 2010, the Board of Supervisors approved Amendment No. 1 to the Agreement for additional licenses and services, providing application oversight including but not limited to regular maintenance, license uploads, fix-it patches as well as software upgrades. At the time this amendment was approved NMC did not have the expertise in-house to provide such services. Amendment No. 1 also increased the "not to exceed" amount of the Agreement to \$2,420,380 to allow for the purchase of additional hardware to properly support the system.

On February 15, 2011, the Board of Supervisors approved Amendment No. 2 to the Agreement, adding the Absenteeism & Leave Management Module to the Kronos system. This addition provides NMC management with additional resources to track each employee's "leave time". Monitoring of this assists NMC in meeting the hospital's adopted productivity standards.

Amendment No. 2 also allowed for continued license renewals through June 30, 2012. The Amendment No. 2 increased the “not to exceed” amount of the Agreement to \$2,478,790.

On March 27, 2012, the Board of Supervisors approved Amendment No. 3 to the Agreement adding additional services and system functionality to assist with monitoring productivity of hospital staff, to provide the necessary funds for the annual maintenance costs associated with the system, and to allow for continued license renewals through June 30, 2013,. This Amendment No. 3 also reduced the total “not to exceed” amount to \$1,630,737.90 making a correction to the amount requested for hardware established in Amendment No. 1.

On August 27, 2013, the Board of Supervisors approved Renewal and Amendment No. 4 adding Cloud Services Database Management, additional Time Clock modules, upgrades to several Workforce modules, to provide the necessary funds for the annual maintenance costs associated with the system, and to allow for continued license renewals through June 30, 2013, for a revised total Agreement amount not to exceed \$2,214,863.

On February 25, 2014, the Board of Supervisors approved Amendment No. 5 adding system modifications to several existing modules for improved functionality, to provide the necessary funds for the annual maintenance costs associated with the system, and to allow for continued license renewals through June 30, 2014, for a revised total Agreement amount not to exceed \$2,456,363.

On June 24, 2014, the Board of Supervisors approved Amendment No. 6 to provide the necessary funds for the annual maintenance costs associated with the system and to allow for continued license renewals through June 30, 2015 with no additional services added, for a total Agreement amount not to exceed \$2,456,363.

To date, NMC has completed implementation of the following Kronos modules: Timekeeper, Absence Manager, Basic Scheduler and Human Resources. NMC is currently utilizing the Kronos system to calculate hours worked, overtime, shift differential, determine “unscheduled shifts”, track call-offs, manage schedules, track absences and tardiness along with tracking employee health data, and other HR information.

Amendment No. 7 is being requested to provide the necessary funds for the annual maintenance costs associated with the system and to allow for continued license renewals through June 30, 2016, the cost of which is \$126,328 for a revised total Agreement amount not to exceed 2,582,692.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment No.7 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No.7 has also been reviewed and approved by NMC’s Finance Committee on 3/26/15 and by its Board of Trustees on 4/3/15, however, since those approvals, NMC reduced the amount of Amendment No. 7 by \$41,974 by removing a request for new services as a cost savings measure.

FINANCING:

The cost for this Amendment No. 7 is \$126,328, all of which is included in the Fiscal Year 2015-16 Recommended Budget. There is no impact to the General Fund.

Prepared by: Janine Bouyea, Human Resource Administrator, 783-2701

Approved by: Gary Gray, DO, Interim Chief Executive Officer, 783-2504

Attachments:

Kronos Amendment No. 7

Kronos Amendment No. 6

Kronos Amendment No. 5

Kronos Renewal & Amendment No. 4

Kronos Amendment No. 3

Kronos Amendment No. 2

Kronos Amendment No. 1

Kronos Original Agreement

Spend Sheet

Attachments on file with the Clerk of the Board



Gary Gray, DO, Interim Chief Executive Officer



Date