



# COUNTY OF MONTEREY - BOARD OF SUPERVISORS

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File #:	A 14-164	Name:	Kronos Inc. Amendment No. 6
Type:	BoS Agreement	Status:	Consent Agenda
File created:	6/12/2014	In control:	Board of Supervisors
On agenda:	6/24/2014	Final action:	
Title:	Approve and authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 6 to the Agreement (A-11065/MYA348) with Kronos Incorporated for Software, Support and Professional Services at NMC, extending the Agreement from November 20, 2007 through June 30, 2015, for a total Agreement amount not to exceed \$2,456,363.74; no increase from the previously approved amount.		
Attachments:	1. <a href="#">Kronos Inc. Amendment No. 6 BR.pdf</a> , 2. <a href="#">Kronos Amendment Prior Agreements.pdf</a> , 3. <a href="#">Kronos Spend Sheet.pdf</a> , 4. <a href="#">Completed Board Order</a>		

[History \(0\)](#)
[Board Report](#)

## Title

Approve and authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 6 to the Agreement (A-11065/MYA348) with Kronos Incorporated for Software, Support and Professional Services at NMC, extending the Agreement from November 20, 2007 through June 30, 2015, for a total Agreement amount not to exceed \$2,456,363.74; no increase from the previously approved amount.

## Report

### RECOMMENDATION:

It is recommended the Board of Supervisors approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 6 to the Agreement (A-11065/MYA348) with Kronos Incorporated for Software, Support and Professional Services at NMC, extending the Agreement from November 20, 2007 through June 30, 2015, for a total Agreement amount not to exceed \$2,456,363.74; no increase from the previously approved amount.

### SUMMARY/DISCUSSION:

The Board of Supervisors approved the NMC purchase of the Kronos Time & Attendance, Scheduler and Workforce Analytics ("Application") on November 9, 2007 with an original agreement amount

of \$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, NMC requested and obtained approval from the Board of Supervisors for Amendment No. 1 to the Agreement, adding \$56,880 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. This Amendment No. 1 also increased the "not to exceed" amount of the Agreement to \$2,420,380 to allow for the additional costs of Hardware purchased from the vendor. However, the board report was unclear as to the increased "not to exceed" amount and only identified the additional \$56,880 of Software services.

On February 15, 2011, NMC requested and obtained approval from the Board of Supervisors for Amendment No. 2 to the Agreement, adding \$58,410 to purchase the Absenteeism & Leave Management Module of the Kronos Application. This addition provides NMC management with additional resources to track each employee's "leave time". Monitoring of these types of away times assists NMC in meeting the hospital's adopted productivity standards. The Amendment No. 2 increased the "not to exceed" amount of the Agreement to \$2,478,790.

On March 27, 2012, NMC requested and obtained approval from the Board of Supervisors for Amendment No. 3 to the Agreement adding additional services and functionality to assist in monitoring productivity of hospital staff and to provide funds for annual maintenance costs associated with the Application. This Amendment No. 3 also reduced the total "not to exceed" amount to \$1,630,737.90 making the correction to the amount for hardware established in Amendment No.1.

Amendment No. 4 added \$584,126.24 for a revised total Agreement amount not to exceed \$2,214,864.14. Amendment No. 4 added Kronos Cloud Services Database Management, Workforce Analytics for Healthcare Productivity, and Kronos InTouch Electronic Time Clocks.

Amendment No. 5 added \$241,499.60 for a revised total Agreement amount not to exceed \$2,456,363.74 in the aggregate. Amendment No. 5 to the agreement made ongoing modifications to the following applications: 1) Advanced Scheduler, 2) Timekeeping, 3) Human Resources, 4) Absence Manager, and 5) Leave of Absence. This amendment allowed NMC to utilize additional features of the system assisting with monitoring of productive and non-productive time to ensure organizational efficiencies.

NMC has completed implementation of Kronos Timekeeper, Absence Manager, Basic Scheduler and Human Resources and 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. 6 will extend the length of the agreement without adding any dollars. NMC will bring forth another amendment when additional funds are needed.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Amendment No. 6 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment No. 6 as to fiscal

provisions. The CAO-Budget and Analysis Division has advised to inform the BOS the spending authority (appropriations) associated with NMC's FY 2014 Adopted Budget has been exceeded and approval and authorization for modification of NMC's appropriation budget should be presented to the BOS. . Since NMC is an Enterprise Fund, this does not prevent continued expenditures and is not a legal requirement, but it is considered good public policy, transparency and fiscal management. The Amendment has also been reviewed and approved by Natividad Medical Center's Finance Committee 5.22.14 and Board of Trustees 6.6.14.

**FINANCING:**

There is no cost for this Amendment No. 6; As a result of Amendment No. 5 the Board of Supervisors approved a \$241,499.60 increase for Fiscal Year 2013-2014 in the maximum liability for the Agreement (for a total Agreement amount not to exceed \$2,456,363.74 in the aggregate). \$304,205.80 is included in the Fiscal Year 2014/2015 Recommended Budget. NMC is confirming its appropriations position and if its spending authority has been exceeded will return to the Board. There is no impact to the General Fund.

Prepared by: Janine Bouyea, HR Administrator, 783-2701

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Amendment No. 6, Originals Agreement, Amendment Nos. 1, 2, 3 and 5, Renewal and Amendment No. 4, Spend Sheet

Attachments on file with the Clerk to the Boards Office



## Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

**Agreement No.: A-11065**

Upon motion of Supervisor Salinas, seconded by Supervisor Potter and carried by those members present, the Board of Supervisors hereby:

Approved and authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 6 to the Agreement (A-11065/MYA348) with Kronos Incorporated for Software, Support and Professional Services at NMC, extending the Agreement from November 20, 2007 through June 30, 2015, for a total Agreement amount not to exceed \$2,456,363.74; no increase from the previously approved amount.

PASSED AND ADOPTED on this 24th day of June 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 77 for the meeting on June 24, 2014.

Dated: June 26, 2014  
File Number: A 14-164

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By

Deputy

**AMENDMENT NO. 6  
TO AGREEMENT No. A-11065 / MYA348  
BETWEEN Kronos Inc. AND  
THE NATIVIDAD MEDICAL CENTER  
FOR**

**Kronos Workforce Suite Software, Licensing Software Support, Upgrades and Maintenance,  
Equipment Maintenance and Professional Services  
services**

This Amendment No.6 to Agreement No. A-11065/MYA348 ("Agreement"), dated November 20, 2007 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Kronos Incorporated (Contractor), with respect to the following:

**RECITALS**

**WHEREAS**, the County and Contractor amended the Agreement previously on April 1, 2010 via Amendment No. 1, on October 1, 2010 via Amendment No. 2, and on October 1, 2011 via Amendment No. 3; and on December 5, 2012 via Renewal and Amendment No. 4, and on January 1, 2014 via Amendment No. 5; and

**WHEREAS**, the County and Contractor wish to amend the Agreement to extend the term end date to allow for existing services to continue.

**AGREEMENT**

**NOW, THEREFORE**, the parties agree to amend the Agreement as follows:

- Section 1.1
1. ~~Section 2.~~ "TERM OF AGREEMENT" shall be amended by removing, "*The term of this Agreement is from November 7, 2007 to June 30, 2014 unless sooner terminated pursuant to this Agreement*" and replacing it with "*The term of this Agreement is from November 7, 2007 to June 30, 2015 unless sooner terminated pursuant to this Agreement*".
  2. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and Renewal and Amendment No. 4, and Amendment Nos. 1, 2, 3, 5 are unchanged and unaffected by this Amendment No. 6 and shall continue in full force and effect as set forth in the Agreement.
  3. A copy of this Amendment No. 6 and all previous amendments shall be attached to the original Agreement No. (A-11065/MYA348).
  4. The effective date of this Amendment No. 6 is July 1, 2014.

**AMENDMENT NO. 6  
TO AGREEMENT No. A-11065 / MYA348  
BETWEEN Kronos Inc. AND  
THE NATIVIDAD MEDICAL CENTER  
FOR  
Kronos Workforce Suite Software, Licensing Software Support, Upgrades and Maintenance,  
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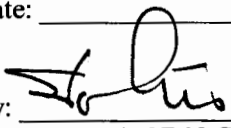
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  3. A copy of this Amendment No. 6 and all previous amendments shall be attached to the original Agreement No. (A-11065/MYA348).
  4. The effective date of this Amendment No. 6 is July 1, 2014.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

**Natividad Medical Center**

By: \_\_\_\_\_  
Sid Cato, NMC Contracts Manager

Date: \_\_\_\_\_

By:  \_\_\_\_\_  
Harry Weis, NMC Chief Executive Officer

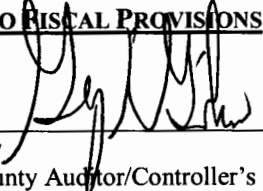
Date: 4/30/14

**APPROVED AS TO LEGAL PROVISIONS**

By:  \_\_\_\_\_  
Anne Brereton  
Monterey County, Deputy County Counsel

Date: May 2, 2014

**APPROVED AS TO FISCAL PROVISIONS**

By:  \_\_\_\_\_  
Gary Giboney  
Monterey County Auditor/Controller's Office

Date: 5/2/14

**Contractor**

\_\_\_\_\_  
**Contractor's Business Name\*\*\*** (see instructions)

\_\_\_\_\_  
Signature of Chair, President, or Vice-President

\_\_\_\_\_  
Name and Title

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)

\_\_\_\_\_  
Name and Title

Date: \_\_\_\_\_

**\*\*\*Instructions**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).


If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required)

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

**Natividad Medical Center**

By: \_\_\_\_\_  
Sid Cato, NMC Contracts Manager

Date: \_\_\_\_\_

By:  \_\_\_\_\_  
Harry Weis, NMC Chief Executive Officer

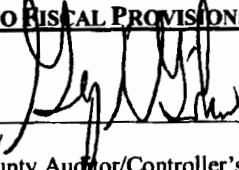
Date: 4/30/14

**APPROVED AS TO LEGAL PROVISIONS**

By:  \_\_\_\_\_  
Anne Brereton  
Monterey County, Deputy County Counsel

Date: May 2, 2014

**APPROVED AS TO FISCAL PROVISIONS**

By:  \_\_\_\_\_  
Gary Giboney  
Monterey County Auditor/Controller's Office

Date: 5/2/14


**Contractor**

Kronos Incorporated  
Contractor's Business Name\*\*\* (see instructions)

 \_\_\_\_\_  
Signature of Chair, President, or Vice-President

Mark Julien, CFO  
Name and Title

Date: July 10, 2014

By:  \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)

Alyce Moore, Asst. Secretary  
Name and Title

Date: July 10, 2014

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Amendment No. 6  
Kronos  
Implementation services, education and travel for  
Kronos modules existing and new  
Natividad Medical Center  
Term: November 7, 2007 thru June 30, 2015  
Not to Exceed: \$2,456,363.74