



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #:** A 13-206, **Version:** 1

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Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 4 to the Agreement (A-11065) with Kronos Incorporated for Software Installation, Licensing, Renewal, Updating, Upgrading, Training, Interfacing and Professional Services at NMC, extending the Agreement to June 30, 2014 and adding \$584,126.24 for a revised total Agreement amount not to exceed \$2,214,864.14 in the aggregate.

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 4 to the Agreement (A-11065) with Kronos Incorporated for Software Installation, Licensing, Renewal, Updating, Upgrading, Training, Interfacing and Professional Services at NMC, extending the Agreement to June 30, 2014 and adding \$584,126.24 for a revised total Agreement amount not to exceed \$2,214,864.14 in the aggregate.

### 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 \$558,000. 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 \$56,000 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 only identifying the additional \$56,000 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 \$58,000 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.

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 “not to exceed” amount for purchased hardware established in Amendment No. 1.

At this time NMC recommends approval of Renewal and Amendment No. 4 of the agreement to add services that include;

- Annual Software Maintenance, License Renewals
- Additional Software Licenses
- Kronos Cloud Services Database Management
- Existing Software Upgrade; Workforce v6.2 to Workforce v6.3
- Implementation of Workforce Analytics Solution (CORE) v6.3 (upgrade from previous VisionWare)
- Workforce Analytics for Healthcare Productivity (Advanced Reporting Software w/ MediTech Interface).
- 5 Kronos InTouch Electronic Time Clocks including Tax and Maintenance Services.

For a full cost breakdown of all services, equipment and taxes see Attachment A: *Kronos Cost Breakdown for Renewal & Amendment #4*.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Renewal and Amendment No. 4 as to legal form and risk provisions. The Auditor-Controller's Office has reviewed and approved this Renewal and Amendment No. 4 as to fiscal provisions. The Renewal and Amendment No. 4 has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The cost for this Renewal and Amendment No. 4 is \$584,126.24 and is included in the Fiscal Year 2013/2014 Adopted Budget. There is no impact to the General Fund.

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

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

Attachments: Renewal and Amendment No. 4, Attachment A: *Kronos Cost Breakdown for Renewal & Amendment #4*, Original Agreement, Amendments 1, 2 and 3 and Spend Sheet.

Attachments on file with the Clerk to the Boards Office