



## Board Report

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**File #:** A 22-495, **Version:** 1

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- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with UKG Inc. for human resources, payroll, and workforce management software and support services at NMC for an amount not to exceed \$1,991,920 with an agreement term of October 1, 2022 through September 30, 2027.
- b. Authorize the Chief Executive Officer for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$199,192) of the original cost of the agreement.
- c. Approve the NMC Chief Executive Officer's recommendation to accept non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with UKG Inc. for human resources, payroll, and workforce management software and support services at NMC for an amount not to exceed \$1,991,920 with an agreement term of October 1, 2022 through September 30, 2027.
- b. Authorize the Chief Executive Officer for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$199,192) of the original cost of the agreement.
- c. Approve the NMC Chief Executive Officer's recommendation to accept non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **SUMMARY/DISCUSSION:**

Natividad Medical Center currently utilizes the Kronos Timekeeper to capture time for all staff employed and to capture time worked for all contracted staff. Natividad has successfully completed implementation of Attendance Manager, Basic/Advanced Scheduler, Productivity, Leave and Human Resources (HR) modules. The implementation has enabled Natividad to have a fully integrated Human Resources Information System for timekeeping, staff scheduling, leave management & Human Resources. Additionally, the Kronos SMS (aka Quickfill) functionality has been enabled. Which generates automatic staff notifications regarding open shifts. This will allow Natividad to staff in a more effective and timely manner without much manual intervention. This significantly reduces the inefficiencies found in the day to day management of employee transactions.

The transition to UKG Dimensions/Pro is required as the current interface will no longer be IT security supported (end of life of this platform has been announced as of end of year 2023). Without the latest security patches and monitoring from Cloud Services, it could lead to potential data breaches and leave Natividad vulnerable to cyber-attacks.

### **OTHER AGENCY INVOLVEMENT:**

The Office of County Counsel has reviewed and approved this agreement as to form, and the Auditor-Controller has reviewed and did not approve as to payment provisions. The agreement has not been reviewed by NMC's Finance Committee and by its Board of Trustees. This agreement is being sent to Board of Supervisors without review by these legislative bodies due to urgent need for services.

### **FINANCING:**

The cost for this agreement is \$1,991,920 of which \$459,184 is included in the Fiscal Year 2022-23 Adopted Budget. Amounts for

remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This amendment is for a software system which improves data processing at Natividad. The use of this system directly contributes to a more efficient and effective use of resources within the organization.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

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

Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:

UKG Inc. Master Services Agreement

Attachments on file with the Clerk of the Board