

DEPARTMENTAL MATTERS

INDIAN RIVER COUNTY MEMORANDUM

To: Jason Brown
County Administrator

From: Suzanne Boyll
Human Resources Director

Date: May 23, 2019

Subject: Approval of Time and Attendance Software – Kronos Workforce Ready and Workforce Accruals

Background

Currently, hours worked by employees of Indian River County are reported and tracked on paper time sheets which are prepared by department/division time keepers who manually calculate hours worked, compute overtime, report sick and vacation leave taken, and enter hours worked details into payroll system to generate the hours to be paid. Some areas use time clocks and time cards to reflect clock in and clock out times and time keepers manually add up hours worked. The completed time records are forwarded to supervisors, managers, and department heads, approved and submitted to payroll. A substantial amount of paperwork and labor is involved in generating biweekly payroll and preparing paychecks for employees.

Due to the manual process, payroll staff audits time sheets to identify entry errors or miscalculations and identify necessary corrections. This is also a manual audit process that is labor intensive. Errors in the time keeping process are not uncommon due to the manual processes. When payroll errors are identified, any corrections are made on subsequent paychecks. Some example of errors include:

- Overpayment or underpayment of hours worked
- Paid leave not being charged or being charged incorrectly
- Hours worked being incorrectly recorded on a different employee's record resulting in both underpayment of wages to an employee and overpayment of wages to another employee

In order to improve the accuracy of the payroll process, funding was approved for a time and attendance system in the FY2018/2019 budget.

Time and Attendance Software Criteria

Critical to the selection of a time and attendance system is the need for the system to integrate with our MUNIS Financial System and handle complex work and pay rules for both union and non-union employees working varying employee schedules. The system would need to be

flexible in order to meet the needs of a diverse work group and have a proven track record of working with MUNIS and completing successful integrations. Strong customer service and technology support is also essential.

The recommended system would also need to provide for an online approval process for leave requests, eliminating the need to submit paper leave requests. Employees would be able to view leave accruals, and request time off, and managers would be able to view scheduling and other time off requests to make informed staffing decisions. Approved leave is automatically recorded on the employee time and attendance records without the need to hand key time off.

Hours worked would be automatically captured via time clock, web entry, and mobile applications. The work and pay rules for each employee group would be programmed into the system to automatically calculate pay types and generate accurate hours worked for payment of wages, eliminating errors associated with manual calculations and data entry.

Additionally, an automated system would allow for the ability to identify labor costs associated with emergency events or special projects. This would improve the process of filing for reimbursement from FEMA in the event of an eligible disaster.

Preferred Vendor under US Communities Contract

Human Resources solicited input from other MUNIS customers regarding successful time and attendance systems and determined that the Kronos Workforce Ready and Workforce Accruals system had a proven track record, excellent customer service, and would be able to meet our needs and integrate with MUNIS.

A proposal from Kronos was requested. Purchasing Manager Jennifer Hyde was able to confirm that Kronos pricing was consistent with an existing US Communities contract 18-6390. The implementation cost would be \$16,250 (one-time fee) and the recurring annual costs would be \$34,398 (based on 650 employees). Pricing would be fixed for 5 years and subsequent renewals would not exceed the US Communities contract in place at the time of renewal. The agreement would exclude Emergency Services who already has scheduling and time and attendance software through Fire Manager. Emergency Services will work towards utilizing Fire Manager to calculate hours worked and generate an import into MUNIS rather than hand keying exceptions.

There will be additional costs for time clocks with pricing ranging from \$2,000 to \$2,500 per clock. The number of time and type of clocks will be dependent upon division needs. Clocking in via computer web browser or mobile app will also be available with no equipment costs.

Kronos is an established provider of workforce management software solutions and has extensive experience with implementing and integrating with MUNIS. The Kronos Workforce Ready/Workforce Accruals is a cloud based SAS solution that is accessible through a web based browser. Computer Services has reviewed the proposal and Kronos meets their security requirements.

Funding

The first year costs are estimated to be \$50,648 and include a one-time implementation cost of \$16,250. Sufficient funds are budgeted in the FY18/19 budget in the General Fund Human Resources Software Account 001-203-513-068003 for the time and attendance system. Recurring annual costs will be based on the actual number of employees and invoiced monthly. The current estimated recurring cost of \$34,398 is based on 650 employees for Kronos Workforce Ready and Workforce Accruals time and attendance solution and will be budgeted in future budgets. Although the specific number of time clocks has not been determined, time clocks will be funded out of the individual departments.

Recommendation

Staff recommends and respectfully requests the Board of County Commissioners approve the recommendation for a time and attendance and accruals solution provided by Kronos under the US Communities Contract 18-6390 for a period of five (5) years with a rate guarantee and the ability to renew the agreement at an amount not to exceed the US Communities Contract that is in place at the time of renewal and authorize the Chairman of the Board to sign the agreement upon review and approval by the County Attorney.