



## **Takoma Park City Council Meeting – May 15, 2024 Agenda Item 5**

### **Voting Session**

Ordinance authorizing City Manager to enter into a contract with UKG for implementation of Human Resources Information System (HRIS).

### **Recommended Council Action**

Adopt ordinance authorizing City Manager to enter into a contract with UKG.

### **Context with Key Issues**

The City of Takoma Park has approximately 220 employees. The Human Resources department completes full life-cycle services for all City employees, including: recruiting, onboarding, payroll, benefits administration, performance management oversight, budgeting, and more. Currently, HR utilizes three different systems (Kronos, Tyler, and SuccessFactors) in conjunction with manual processes to provide the services mentioned above.

The implementation of a complete Human Resources Information System (HRIS) is needed to improve the level of service provided by the HR department. It enhances the productivity of staff by eliminating errors and inefficiencies caused by manually duplicating tasks in different systems. Also, the Human Resources Information System will allow HR staff to dedicate more time to core functions such as employee relations and training because less time will be needed to focus on managing the day-to-day operational tasks.

On March 2, 2022 the City of Takoma Park issued a Request for Proposals (RFP) for contracting and implementation of a complete HRIS. The City received six responses and each firm was evaluated on the following criteria: experience and qualifications, responsiveness and understanding of the scope of services, prior experience working with local governments, and cost. Staff from various departments reviewed and evaluated each response.

Initially, the vendor Paycom was selected as the most responsive firm, but due to breakdowns in contract negotiations, the City awarded a contract to the second most responsive vendor, Paycor. From contract execution in November 2022 through November 2023, City staff worked with Paycor's project implementation team to build and integrate the HRIS. During this phase, it was discovered that a number of integrations were not acceptably functional with City systems, and in some instances, would cause security and reliability concerns. While the City and Paycor worked to resolve these issues, it was determined by staff that these were simply insurmountable with Paycor's base platform, and would require costly third-party solutions to run basic functions like payroll. Because of these challenges, in November 2023, the City terminated its contract with Paycor.

The City's third most responsive vendor to the March 2022 RFP was UKG. Initially, UKG scored low during staff's review because of concerns raised about its technical support with a UKG product the City currently uses for payroll, Kronos. However, UKG has since changed its support model and the City would receive dedicated support from a local representative. With those concerns assuaged, UKG presents what would have been the top choice in the original selection, as it is a global highly professional and fully integrated product. It will also require little adjustment in the time & attendance platform the City uses today. Additionally, the vendor displays a high level of project related

experience with various other public sector clients including those located within the DC, Maryland, and Virginia regions, including our sister city Gaithersburg, with high recommendations from each.

### **Council Priority**

Engaged, Responsive & Service-oriented Government; A Livable Community for All

### **Environmental Considerations**

Implementation of a Human Resources Information System will greatly reduce the amount of paper used by the City. HR documents would be digitally maintained.

### **Fiscal Considerations**

According to the received price proposal, the cost of system implementation is \$38,240. The annual system costs are \$48,549.60. \$177K was allocated for this project in the FY22 budget. Additionally, per city code, during the RFP process, UKG certified its non-involvement in nuclear weapons industry.

### **Racial Equity Considerations**

While advancing the HRIS will assist HR processes like performance evaluations and recruiting to a "best practice" standard, it will also free up staff resources within the Human Resources team to work with the City Manager's office to advance Diversity, Equity, Inclusion, and Belonging trainings and initiatives among City staff. The vendor, UKG, also maintains a commitment to DEI&B, their Chief Belonging, Equity, and Impact Officer stating, "[the company] transcends the standard for what it means to be a company where all individuals feel safe and respected, equally valued and confident that they belong. [UKG] drives this unique commitment into its global communities through strategic social impact initiatives aimed at creating an equitable opportunity for all."

### **Attachments and Links**

- Draft Ordinance

Introduced by:

**CITY OF TAKOMA PARK, MARYLAND**

**ORDINANCE 2024-**

**AUTHORIZING EXECUTION OF CONTRACT WITH UKG FOR  
IMPLEMENTATION, ONGOING SUPPORT, AND MAINTENANCE OF  
A HUMAN RESOURCES INFORMATION SYSTEM**

**WHEREAS,** the City is seeking a qualified firm to implement and maintain a comprehensive Human Resources Information System to cover all key areas of full-cycle Human Resources services; and

**WHEREAS,** the Human Resources Department issued a Request for Proposals to solicit qualified firms for contracting and implementation of a complete Human Resources Information System; and

**WHEREAS,** the City staff review process selected the proposal by UKG as the most qualified and experienced firm to provide the high quality of services needed to implement, support, and maintain the Human Resources Information System software; and

**WHEREAS,** the City has included funding for these services in the FY24 budget.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK MARYLAND, THAT:**

**Section 1.** The City Manager is authorized to enter into a contract for services with UKG for the implementation, support, and maintenance of a Human Resources Information System in an amount not to exceed the total budgeted cost of \$86,789.60.

**Section 2.** This Ordinance shall become effective upon adoption.

**THIS ORDINANCE IS ADOPTED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2024, BY ROLL-CALL VOTE AS FOLLOWS:**

AYE:

NAY:

ABSENT:

ABSTAIN: