



Agenda Item Summary

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Submitted By

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Reviewed By

LKS

Agenda Item Title

A Resolution Approving an Annual License Agreement With Kronos Incorporated for Workforce Ready Software and a One-Time Setup Fee for a Combined not to Exceed Amount of \$31,411 and Authorizing Its Execution

Overview

Resolution 17-519 was approved on June 5, 2017 authorizing execution of the attached Agreement with Kronos Incorporated which included new timeclock equipment compatible with the Village's new ERP system (BS&A) as well as including a one-time equipment setup fee. In order to utilize the new timeclock equipment, the Village must execute a software licensing agreement which connects or links the equipment with BS&A. In addition, with the elimination of ADP (the Village's previous payroll software), Kronos software licensing is necessary to continue to perform various HR functions. Please note that these licensing fees must be budgeted each fiscal year so long as the Village utilizes BS&A for completing payroll in-house and performing the HR tasks described in greater detail below.

Staff Recommendation

Staff recommends the Village Board approve this purchase.

Fiscal Impact

A total first year cost of \$31,411.00 (including the one-time setup fee) would be budgeted in 2018 and charged to 1001.41300.101.550663 (effective January 1, 2018).

Background

In order to utilize the new Kronos equipment previously purchased, the Village must enter into a software licensing agreement which not only links the new timeclocks into BS&A but also allows for a great detail of HR functionality. The total initial annual licensing cost is \$28,411 and there would be a one-time setup fee of \$3,250.00. After the first year, the initial annual licensing fees of \$28,411.00 would be subject to maximum annual 4.0% increases. This Kronos software includes functionality such as time-off accrual tracking, online benefit enrollment, applicant tracking (Talent Acquisition), and traditional HR tasks (Performance Management). Furthermore, the HR software modules provide for modernization of hiring practices, creates an improved online application process, permits employees to enroll and manage benefits electronically, and generates weekly census downloads required by benefit vendors.

Alternatives

There are other HR Information Systems (HRIS) but compatability to the existing Kronos and BS&A system could be an issue and could require building interfaces which would require an additional expense.

Previous Board Action

N/A

Citizen Advisory Commission Action

N/A

Anticipated Future Actions/Commitments

N/A

Intergovernmental Cooperation Opportunities

N/A

Performance Management (MAP) Alignment

N/A