

COUNCIL MEETING
January 27, 2009

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: Communications and Information Technology (CIT) and Finance – Consulting services to modify the Kronos Payroll Timesheet System.

Expenditure: \$57,000

RECOMMENDATION

Recommendation of the Information Technology and Finance Directors that City Council:

- 1) Authorize a purchase order for consulting services to modify the Kronos Payroll Timesheet System by Kronos, Inc., of Chelmsford, MA, in the amount of \$57,000.
- 2) Authorize the transfer of \$18,494 from the City-Wide Financial System capital project (FEAP 119) to the Human Resources/Payroll System capital project (FEAP 19).

Funding

Funding is available in the Human Resources/Payroll System Project (FEAP 19) and the City-Wide Financial System Project (FEAP 119) of the Capital Improvement Fund.

BACKGROUND

On September 18, 2006, the Council approved a contract with Kronos, Inc., of Chelmsford, Massachusetts, (Council item 8F, contract # 2006-187) to provide online time entry, routing, and approval for an amount not-to-exceed \$155,909.

On February 27, 2007, the Council approved additional staff training (Council item 8B) to facilitate training for backup support, in both Finance and CIT, for the Kronos online timesheet data entry application system for an amount of \$10,400.

On September 18, 2007, the Council approved additional consulting services (Council item 8E) to upgrade to version 6.0 and complete the Kronos implementation in the amount of \$33,720. The implementation and upgrade were completed and the system placed into production for two departments, Communications and Information Technology and Finance.

A capital budget request was submitted this fiscal year 2008-2009 to request funds for the Kronos Phase II project which extends Kronos timekeeping capabilities to employees who do not have computers or work offsite.

ANALYSIS

The Communications and Information Technology and Finance departments have been using Kronos in a production environment since July 2008. The system is user friendly, reliable, eliminates paper timesheets and time adjustments, and leave requests can be reviewed and approved online. The system also provides online historical data inquiry to employees and supervisors. The two departments currently using the Kronos system have identified modifications that would be beneficial to the City and eliminate manual future leave accrual estimate calculations and reduce errors when canceling a previously approved leave request. The three identified enhancements recommended for implementation before the system is released to other City departments are: 1) Automate future leave accrual projections; 2) Automate holiday leave schedules; and 3) Simplify the way the system handles "canceling" of leave requests.

It is recommended that City Council authorize the Information Technology Director to approve the needed change orders for Kronos consulting services to enhance the Kronos system.

Respectfully submitted,



RICHARD SHIGAKI
Information Technology Director



ERIC TSAO
Finance Director

CONCUR:



LeRoy J. Jackson
City Manager