



Human Resources Information System (HRIS)

**Dallas City Council Briefing
November 2, 2005**

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Purpose

Overview of the City's HRIS system:

- Background and History
- KRONOS Time Keeping System
- Council approval of final contract year with Deloitte to provide HRIS Services to the City of Dallas
- HRIS beyond September 2006

Background

In the late 1990's CIS engaged IBM Global Services to assess the current information technology environment and uses citywide.

IBM identified several risks with continued use of the 1970's antiquated system (proprietary mainframe operating system); called LINC.

Major Risks:

- Diminishing work-force of technology personnel skilled in using and supporting antiquated LINC system.
- Recoverability of business applications running on LINC can take longer due to out-dated software coding language:
 - ✓ Meeting federal and state compliance would become challenging and possibly resulting in fines.
 - ✓ Continuing to operate on the old payroll system would have increased the risk of payroll errors.
 - ✓ Tracking personnel actions would revert to an old manual process
- LINC is not compatible with web-enabled applications and other readily available (off-the-shelf) software systems

Steps toward Modernizing the Payroll and Human Resources System

November 2000 – the City engaged IBM Global Services (Council Resolution # 00-1649) to develop a request for proposal and selection criteria to identify a Human Resource Information System (HRIS).

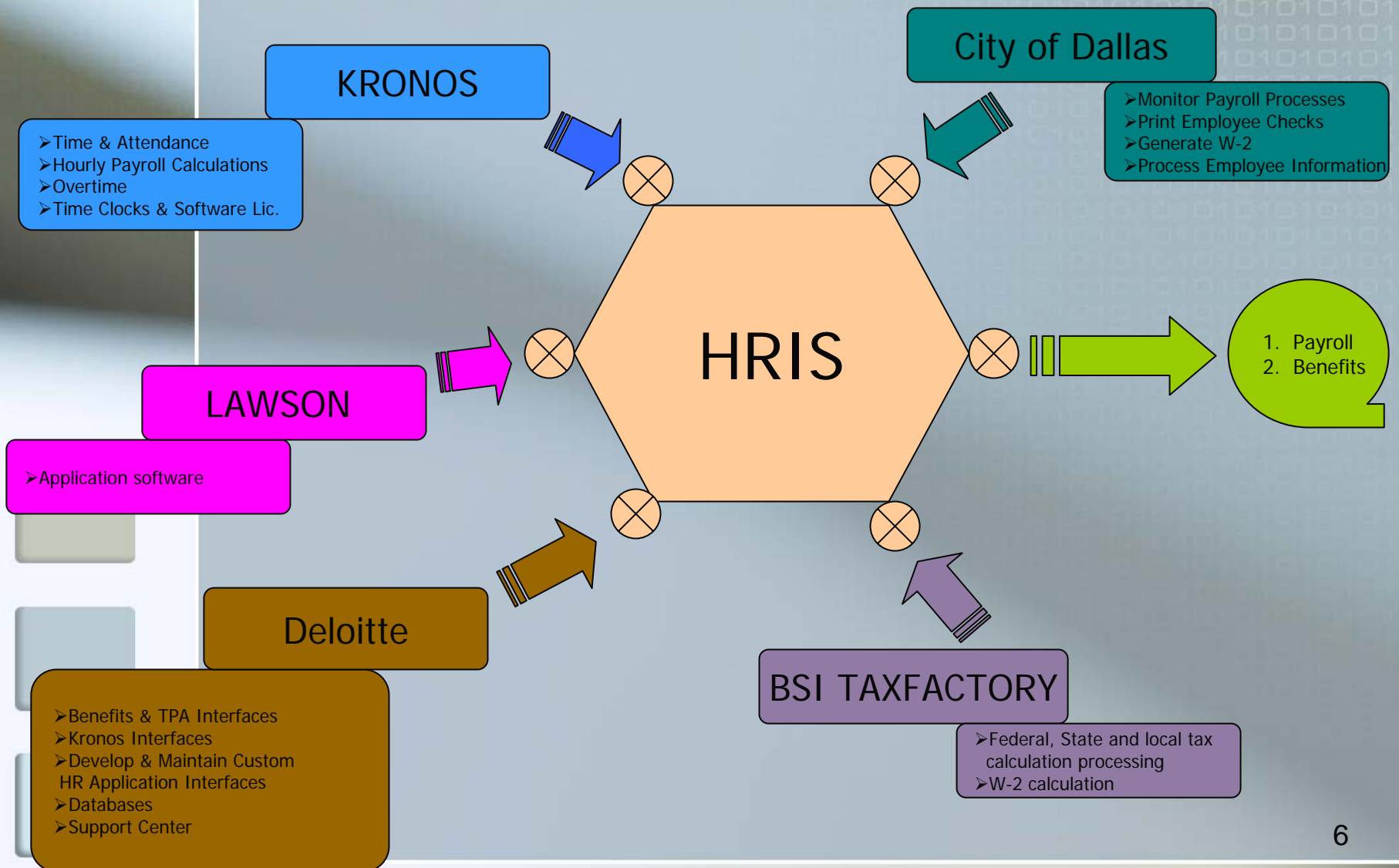
November 2001 – Council awarded (Resolution # 01-3387) a five year contract to Deloitte as vendor for implementation, software licensing, hosting and maintenance of the City's new HRIS.

- The implementation phase and first year hosting & maintenance was approved for \$6,189,001
- Cost for Hosting and Maintenance fees were subject to Council's annual approval over a four year period. This is the last year for Resolution 01-3387.

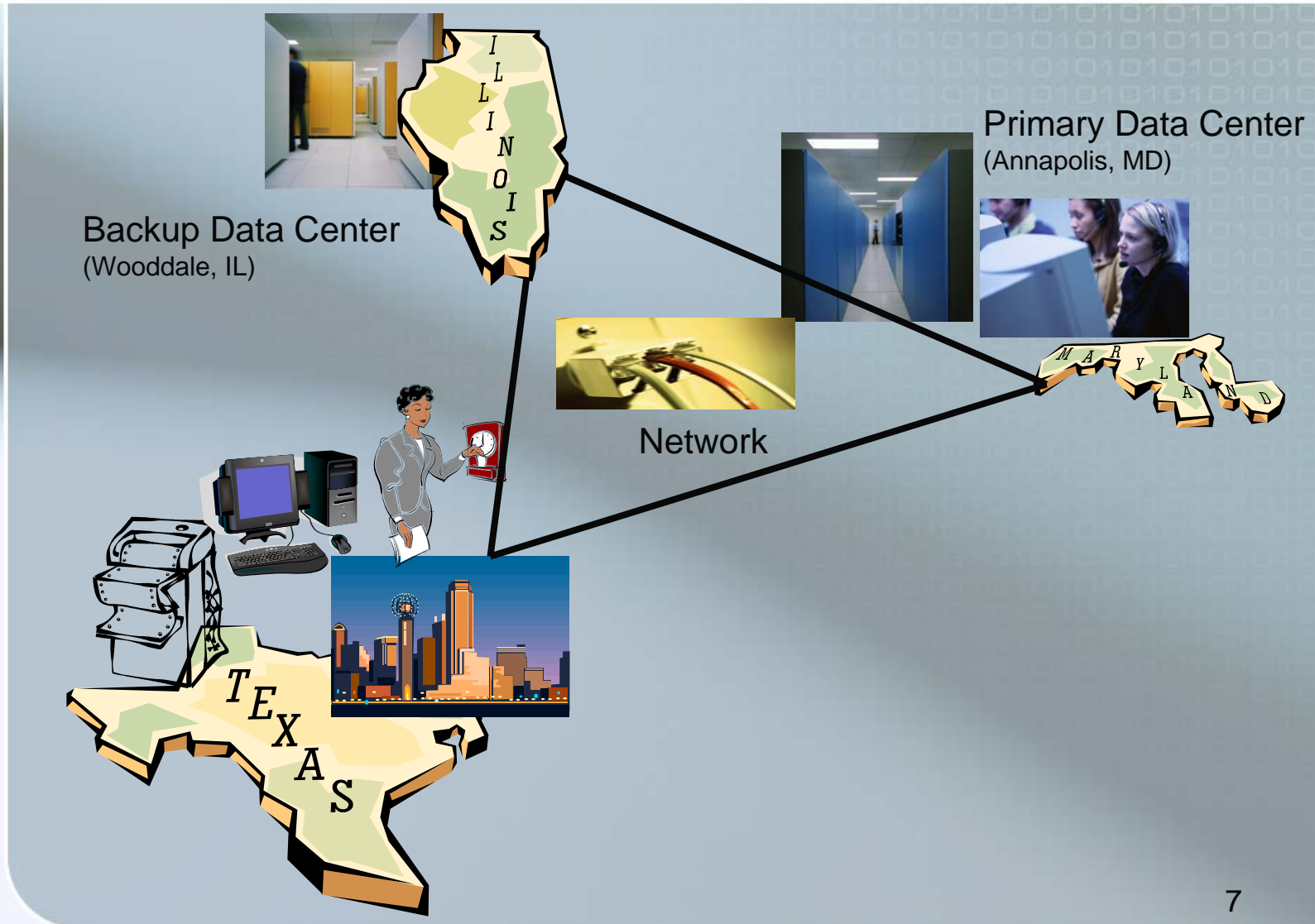
History of HRIS Cost Summary

ITEMS	COST
FY 01-02 (First Year Implementation/Hosting)	\$6,189,001
FY 02-03 (Second Year Hosting & Maintenance)	1,076,744
FY 03-04 (Third Year Hosting & Maintenance)	1,203,754
FY 04-05 (Fourth Year Hosting & Maintenance)	1,042,517
FY 05-06 (Recommendation)	957,369
Total FY 2001-2006	<hr/> \$10,469,385

Key Components of the HRIS System



HRIS Information System – Business Continuity



Identified Efficiencies and Implementation of the KRONOS Clocks

- As a result of the 2001 RFCSP for the HRIS System, staff also identified an opportunity to improve efficiencies by tracking employees working hours.
- This effort resulted in requesting Council's approval to purchase Time Entry Clocks for hourly wage employees.

Benefits

- Ideal for non-exempt personnel paid on an hourly basis
- Electronic time keeping eliminated paper timecards and reduced the risk of payroll and attendance errors
- More accurate recording of time to include FLSA overtime
- No need to remember passwords as a swipe card is provided to all users
- System electronically tracks employees' time and interfaces with HRIS
- Additional level of supervisory monitoring of time worked

Deployment of KRONOS Clocks

Event Description

The City purchased 200 (Model-480) time clocks and an annual maintenance service agreement – November 2001	635,990
Purchased 2,200 KRONOS Application Software Licenses; each user recording time on the KRONOS clocks requires a license. <i>Deployed 46 clocks – Early 2002</i>	201,600
Purchased 1,650 additional KRONOS Software Licenses. <i>Deployed 63 clocks - 2003</i>	139,823

As of October 2005

Total Clocks In Use To Date: 109

Plans for KRONOS Clocks Inventory

- City currently has 91 KRONOS Clocks inventoried.
- Maintenance fee covers repairs / replacement for KRONOS Clocks.
- Staff recommends eliminating KRONOS maintenance fee (\$77,000) for FY05-06 and using inventory for repairs / replacement.
 - ✓ Inventory is projected to be used as a replacement plan for the existing deployed clocks over a five year period.
 - ✓ This equates to a **(\$385,000)** cost avoidance by eliminating the maintenance agreement fee.

Recommendations for 2005-2006

- Staff recommends Council approval for final year of current contract with Deloitte to provide HRIS services.
 - Request council authorize an item to be placed on November 9, 2005 voting agenda to include resolution for 5th and final year of current contract with Deloitte to provide HRIS services.

HRIS Beyond 2006

- This is the last year for Deloitte to serve as the City's HRIS Hosting and Maintenance provider.
- This year a steering committee was established to determine the strategy of how the City will continue to host the current HRIS system to include:
 - Internal or external hosting options;
 - Vendors in the marketplace with the necessary capabilities;
 - Additional resources needed to support in-house hosting
- The committee consists of the City Auditor's Office, Attorney's Office, Office of Financial Services, CIS and H.R. departments.
- **Steering Committee cost containing strategies:**
 - **Internal Hosting Option** - Determine the number of additional staff and technology infrastructure needed to migrate in-house and associated cost.
 - **External Hosting Option-** Identify and award a contract for an HRIS hosting service provider upon expiration of current service contract, Sept.'06. Seek a vendor that offers the best cost containment strategies and service.

Steps included for either Option:

- | | |
|--|-------------------|
| <input type="checkbox"/> Develop & Release RFCSP | Oct.'05 – Dec.'05 |
| <input type="checkbox"/> Vendor Selection | Feb.'06 |
| <input type="checkbox"/> Council's Approval | Mar.'06 |
| <input type="checkbox"/> Implementation | Mar.'06 – Jul.'06 |
| <input type="checkbox"/> Parallel Operation | Aug.'06 – Sep.'06 |

Appendix



HRIS

FY 2001 - 2002

ITEMS	RES.	COST
DCO Implementation, Hosting, Infrastructure, Support	01-3387	5,021,415
Lawson Software, LLC	01-3387	933,556
Kronos Inc	01-3387	201,600
Business Software Inc, BSI	01-3387	32,430
Implementation Cost: FY 01-02		\$6,189,001



HRIS

FY 2002 - 2003

ITEMS	RES.	COST
DCO Annual Hosting, Infrastructure, Support		1,076,744
Benefits Enrollment Implementation	01-2047	700,649
	02-1956	
Hosting Cost: FY 02-03		\$1,777,393



HRIS

FY 2003 - 2004

ITEMS	RES.	COST	Credit
DCO Annual Hosting, Infrastructure, Support		1,041,213	
Disk Storage			
25 GB Disk Storage September 2003	03-2587	5,000	
136 GB Disk Storage May 2004	04-1724	17,718	
Benefits Service Center	03-3156	300,000	
1,650 Kronos Licenses	03-3071	139,823	
ONE Time Credit For Eliminating e- Recruiting Module From Lawson	03-2160		102,000
ONE Time Credit For Performance Issues Related To HRIS From DCO	“		100,309
ONE Time Credit For Performance Issues Related To HRIS From DCO	“		25,309
Sub-Total		\$1,503,754	\$227,618

HRIS

FY 2004 - 2005

ITEMS	RES.	COST
DCO Annual Hosting, Infrastructure, Support	TBD	1,042,517
Benefits Modification For FY 04-05	04-2858	43,000
Benefits Service Center	03-3156	300,000
Hosting Cost: FY 04-05		\$1,385,517



HRIS Proposed FY 2005 - 2006

ITEMS	COST
DCO Annual Hosting, Infrastructure, Support	1,034,369
Eliminate Kronos Clock Maintenance	(77,000)
Hosting Cost: FY 05-06	\$957,369

