



## CITY COUNCIL AGENDA ITEM

Date: 3/16/2015

To: Brian Kischnick, City Manager

From: Tom Darling, Financial Services Director  
Gary Mayer, Police Chief  
MaryBeth Murz, Purchasing Director  
Gert Paraskevin, IT Director

Subject: Standard Purchasing Resolution 4 - Kronos Workforce Management Software

### History

The City of Troy manages approximately 600 full time and part time employees, and up to 900 during the summer months with the addition of seasonal labor. Effectively managing all of these employees takes a great deal of effort. Since labor costs and benefits account for approximately 64% of the General Fund operating budget and 62% of the overall operating budget, having the right tools to efficiently manage the workforce is essential.

One of the key requirements in managing the workforce is to accurately account for their time on and off the job. This information is used for several purposes:

1. Payroll – to ensure each employee is paid a fair and accurate wage
2. Time management – supervisors have to make sure staffing levels are consistent with job requirements and ensure over time hours are kept to a minimum
3. Compliance – the City has to adhere to the requirements of six Collective Bargaining Agreements plus Federal and State laws
4. Cost accounting– labor costs have to be accurately distributed to the appropriate accounting units
5. Grant accounting – labor costs related to grants have to be accurately recorded and reported

Historically the city has relied on very manual and paper intensive processes to capture time. For example, in the Public Works department employees that work in the field punch a time clock when they arrive and leave. They also fill out daily time sheets identifying hours worked in a very specific manner. Did they work on drains, pavement markings, roadside cleanup, lighting, mowing, sweeping, etc.? Was the work done on a major or local road? Supervisors then collect these cards, compare to the punch card, and review for accurate reporting every day. They are logged and transported to Finance on a daily basis. Finance then logs the received timecards, enters them into a home grown Daily Timecard System, balances them to the logs, and ensures bargaining unit agreements are adhered to. If there are any questions or missing timecards the appropriate supervisor is contacted. If necessary some timecards are copied and filed for Grant accounting purposes. Once all timecards for the pay period are entered and balanced, they are exported to New World Systems for payroll processing.

In the Police Department supervisors for Road Patrol, Lockup and Communications fill out paper Daily Time Reports (DTR) for their staff ensuring staffing levels are appropriate, absences are being reported correctly, and bargaining unit agreements are adhered to. These paper forms are then passed to PD clerical staff for entry into New World Systems for payroll processing. If forms are incomplete or appear inaccurate the appropriate supervisor or officer is contacted to resolve the issue.

Similar processes take place throughout the city. Some form of paper timecard is completed or Excel forms are filled out and printed, then passed along for approval and possibly some type of recording within the



## CITY COUNCIL AGENDA ITEM

department, then on to data entry. It is obvious this is a very manual process that is both time consuming and prone to error.

In addition to recording time worked, a related activity is scheduling time to maintain adequate coverage, while managing requested time off and unexpected absences. All departments maintain their own system for scheduling employees, recording vacation requests, personal time and sick time off. This information is then transferred to or verified against the actual time card. This is particularly time consuming in the Police Department where supervisors have to ensure minimum staffing levels are maintained at all times and special details are filled. All while adhering to collective bargaining agreement rules in regards to skill and seniority. Scheduling also becomes difficult when managing large groups of part time employees in the Library and Recreation departments. Supervisory staff still rely on Excel spreadsheets that are manually updated through many communications with staff, then distributed and even printed.

To determine how much time is spent managing the workforce in terms of timecards and scheduling a survey was conducted. The results can be seen in Appendix A. Each year approximately 11,000 hours are dedicated to managing timecards and scheduling staff. If a fraction of that time could be saved utilizing technology it would provide staff more time toward the City's strategy to build and maintain strong, productive service levels.

An analysis of the survey responses identified a potential savings of approximately 2,529 hours if time were entered directly into a system rather than managing paper time cards. These are redundant or tracking tasks that would no longer be required. In addition, a conservative estimate of another 10% savings in terms of scheduling, entry and approval of timecards could also be realized from an automated and integrated system. That would be an additional 874 hours for a total savings of approximately 3,403 man hours. Assuming an average position including benefits equates to about \$100,000 per year, this represents approximately \$160,000 gain in productivity per year.

### Purchasing

The concept of employing technology by purchasing a system to manage the City's workforce was advanced to the Technology Committee along with a vendor recommendation of Kronos. Kronos was recommended for several reasons. **First of all New World Systems identified Kronos as the most common vendor within their customer base when interfacing to New World Payroll.** Secondly, Kronos is already available under two approved cooperative purchasing contracts; US Communities Cooperative Purchasing Contract and more recently under the Oakland County G2G Cooperative Contract Cloud solutions initiative. Kronos is very widely used with over 20,000 US customers. They are installed in over 700 state and local government organizations and 29 states in various departments. A partial list of government customers is included in Appendix B. Telestaff has long been utilized by Public Safety organizations and was evaluated many years ago by the Troy Police Department. At that time it did not meet our database standard (Microsoft SQL), but it has since been purchased by Kronos and now supports our standard. Telestaff is installed in over 900 public safety departments. The Technology Committee was very supportive of the concept and participated in the evaluation of Kronos. The evaluation timeline and results are detailed in Appendix C.

The city would utilize the Oakland County G2G Cooperative Contract for the WorkForce Central system including the Activities and Advanced Scheduling modules which would provide the features required by the City. This is a Cloud based solution hosted by Kronos, that bills monthly and can increase or decrease depending on the number of employees active in the system. Oakland County competitively bid this contract and has negotiated to extend it to Oakland County cities, villages and townships.

The city would utilize the US Communities Cooperative Purchasing Contract for the Telestaff module as it is not yet available on the Oakland County contract. This module would be implemented for a large part of the Police Department. An additional contract with communication vendor, Voxeo, would also have to be

executed. Voxeo services are integrated into Telestaff to utilize the automated notification feature which will contact the appropriate employees in the proper order, and document those communications.

### Financial

Funds to implement Kronos are budgeted in the Capital Fund under Information Technology (\$101,677) and Police (\$71,220) to be reimbursed from Forfeiture Funds. Ongoing expenses would be split between Information Technology (\$53,133) and the Police Department (\$7,296) operating budgets. Complete cost details are outlined in Appendix D.

### Recommendation

City management is requesting authorization to enter into contracts with Kronos and Voxeo to provide workforce management software thereby utilizing technology to improve efficiencies and save approximately 3,403 hours of staff effort spread across all departments. That time could be directed towards the City's strategy to build and maintain strong, productive service levels. An integrated system would eliminate the need for paper timecards. Kronos offers time clocks, phone apps and a web interface for employees and supervisors to update schedules, offer availability, accept open assignments, complete timecards, request time off, approve time, and access to all of this information. Other benefits that would result from implementing Kronos includes improved payroll and accounting processes and accuracy; tools for enhanced tracking; consistent rules application mitigating compliance risk; and improved grant management.

There would be a total of three contracts to be executed:

- 1) Workforce Central is offered on the **Oakland County G2G** Cooperative Contract. Pricing is most favorable as a hosted solution. Onetime costs include implementation and training of approximately \$48,100 and hardware costs for up to 13 time clocks of \$53,577. Ongoing annual costs are approximately \$47,868 for use of the Workforce Central modules. This amount will vary depending on the number of active employees in the system each month and therefore licenses needed. Time clock maintenance will be approximately \$5,265 per year.
- 2) Telestaff would be implemented as an on premise solution available on the **US Communities** Cooperative Purchasing Contract. An in-house solution provided the most favorable pricing. Onetime costs for the software, implementation and training are approximately \$68,720 with annual recurring maintenance costs of \$5,496. No additional hardware is required since the Police Department has excess capacity in their virtual server environment and they already host a SQL Server Database. Additional licensing and maintenance may be required as the number of staff utilizing Telestaff may change over time.
- 3) A direct contract with communication vendor Voxeo would be required to support automated communications integrated with Telestaff. There is a one-time set up fee of \$2,500 plus a minimum monthly commitment of \$150 which would provide 1,150 minutes of service. The monthly cost could vary should the city require additional minutes at \$0.13 per minute.

Approximate total costs: Capital of \$172,897 and annual operating of \$60,429

# CITY COUNCIL AGENDA ITEM

## Appendix A

### Survey Results

Hours Summary		
	Hours per Pay Period	Annualized Hours
Create Timecards	187.58	4,877
Supervisor Approval	96.68	2,514
Other Timecard Related Tasks	100.92	2,624
<b>Total</b>	<b>385.18</b>	<b>10,015</b>
	Hours per month	
Scheduling Tasks	104.83	1,258
<b>Total Hours</b>		<b>11,273</b>

Department Breakdown						
	Timecards				Schedule	Total
	Create	Approve	Other	Total		
Assessing	45.50	26.00	-	71.50	-	72
Building Operations	390.00	13.00	104.00	507.00	72.00	579
City Attorney	30.33	7.58	-	37.92	-	38
City Clerk	13.00	4.33	-	17.33	-	17
City Manager	78.00	26.00	-	104.00	-	104
Fleet	-	6.50	26.00	32.50	-	33
Admin	26.00	13.00	43.33	82.33	-	82
Parks/Streets	439.83	910.00	303.33	1,653.17	-	1,653
Water/Sewer	530.83	390.00	-	920.83	-	921
Engineering	143.00	104.00	78.00	325.00	-	325
Finance	34.67	4.33	650.00	689.00	-	689
Fire	110.50	26.00	34.67	171.17	-	171
Human Resources	10.83	2.17	1.73	14.73	-	15
IT	71.50	19.50	6.93	97.93	-	98
Library	437.67	70.63	126.53	634.83	136.00	771
Planning	13.00	13.00	2.17	28.17	12.00	40
Police	1,417.00	819.00	1,196.00	3,432.00	864.00	4,296
Purchasing	19.50	4.33	-	23.83	-	24
Recreation	1,061.67	52.00	51.13	1,164.80	174.00	1,339
Treasurer	4.33	2.17	-	6.50	-	7
<b>Total</b>	<b>4,877.17</b>	<b>2,513.55</b>	<b>2,623.83</b>	<b>10,014.55</b>	<b>1,258.00</b>	<b>11,274</b>



# CITY COUNCIL AGENDA ITEM

## Appendix B

### Kronos Customers Partial Government Listing

Name	State	Name	State	Name	State
CITY OF DAPHNE	ALABAMA	FORT WAYNE FIRE	INDIANA	GRESHAM FIRE	OREGON
CITY OF TUSCALOOSA	ALABAMA	HAMILTON COUNTY	INDIANA	HILLSBORO POLICE/FIRE	OREGON
ANCHORAGE POLICE	ALASKA	VANDERBURGH COUNTY	INDIANA	MEDFORD FIRE	OREGON
CITY OF SEWARD	ALASKA	STATE OF IOWA - DEPT OF HUMAN SERVICES	IOWA	MULTNOMAH COUNTY SHERIFF	OREGON
FAIRBANKS POLICE	ALASKA	VERMILION PARISH SHERIFF	LOUISIANA	REDMOND FIRE	OREGON
CHANDLER POLICE	ARIZONA	CITY OF GAITHERSBURG	MARYLAND	TUALATIN HILLS PARK AND REC	OREGON
CITY OF APACHE JUNCTION	ARIZONA	CITY OF ROCKVILLE	MARYLAND	ALLEGHENY COUNTY, DEPT OF GENERAL SERVICES	PENNSYLVANIA
CITY OF AVONDALE	ARIZONA	TOWN OF BROOKLINE	MASSACHUSETTS	CENTRE COUNTY	PENNSYLVANIA
CITY OF MESA, ARIZONA	ARIZONA	CITY OF ANN ARBOR	MICHIGAN	CHESTER COUNTY	PENNSYLVANIA
CITY OF SANTA CRUZ	CALIFORNIA	CITY OF BATTLE CREEK	MICHIGAN	MONROEVILLE POLICE	PENNSYLVANIA
COUNTY OF BUTTE	CALIFORNIA	CITY OF BURTON	MICHIGAN	MONTGOMERY TOWNSHIP	PENNSYLVANIA
COUNTY OF MERCED	CALIFORNIA	CITY OF GRAND RAPIDS	MICHIGAN	WASHINGTON COUNTY	PENNSYLVANIA
COUNTY OF SAN DIEGO	CALIFORNIA	GENESEE COUNTY	MICHIGAN	CHARLESTON CO PARK/RECREA COMM	SOUTH CAROLINA
COUNTY OF SISKIYOU	CALIFORNIA	FLINT MASS TRANSPORTATION AUTHORITY	MICHIGAN	NORTH MYRTLE BEACH (CITY OF)	SOUTH CAROLINA
KINGS COUNTY	CALIFORNIA	OAKLAND COUNTY CHILDRENS VILLAGE	MICHIGAN	CITY OF SEVIERVILLE	TENNESSEE
LONG BEACH FIRE	CALIFORNIA	THIRD JUDICIAL CIRCUIT COURT	MICHIGAN	NASHVILLE FIRE	TENNESSEE
MONTEREY COUNTY SHERIFFS	CALIFORNIA	TOWNSHIP OF CANTON	MICHIGAN	CITY OF ARLINGTON, TX	TEXAS
OAKLAND FIRE	CALIFORNIA	WATERFORD TOWNSHIP DEPARTMENT OF PUBLIC WORKS	MICHIGAN	CITY OF BROWNWOOD	TEXAS
SONOMA COUNTY	CALIFORNIA	WAYNE COUNTY PROBATE COURT	MICHIGAN	CITY OF EL PASO	TEXAS
TOWN OF HILLSBOROUGH	CALIFORNIA	CITY OF GULFPORT	MISSISSIPPI	CITY OF HOUSTON	TEXAS
ADAMS COUNTY SHERIFF	COLORADO	HARRISON COUNTY	MISSISSIPPI	COUNTY OF CAMERON	TEXAS
CITY AND COUNTY OF DENVER - DOI	COLORADO	DOUGLAS COUNTY DEPARTMENT OF CORRECTIONS	NEBRASKA	PLANO FIRE	TEXAS
CITY OF STEAMBOAT SPRINGS	COLORADO	CITY OF MANCHESTER	NEW HAMPSHIRE	CARBON COUNTY	UTAH
COUNTY OF BOULDER	COLORADO	CITY OF NASHUA	NEW HAMPSHIRE	PARK CITY MUNICIPAL CORPORATION	UTAH
DENVER POLICE	COLORADO	MORRIS COUNTY	NEW JERSEY	SALT LAKE CITY CORPORATION	UTAH
STATE OF COLORADO - OIT/DPA	COLORADO	BERNALILLO COUNTY FIRE	NEW MEXICO	SALT LAKE CITY FIRE	UTAH
TOWN OF AVON	COLORADO	DONA ANA COUNTY	NEW MEXICO	ARLINGTON COUNTY FIRE	VIRGINIA
TOWN OF PARKER	COLORADO	RIO RANCHO POLICE	NEW MEXICO	CITY OF SUFFOLK, VIRGINIA	VIRGINIA
CITY OF STAMFORD	CONNECTICUT	SAN JUAN COUNTY	NEW MEXICO	AUBURN POLICE	WASHINGTON
TOWN OF MANCHESTER	CONNECTICUT	CITY OF UTICA	NEW YORK	BELLEVUE FIRE	WASHINGTON
DELAWARE RIVER AND BAY AUTHORITY	DELAWARE	TOWN OF GREECE PUBLIC WORKS	NEW YORK	EAST PIERCE FIRE AND RESCUE	WASHINGTON
CITY OF FT WALTON BEACH	FLORIDA	WESTCHESTER COUNTY DEPT OF PUBLIC SAFETY	NEW YORK	EASTSIDE FIRE AND RESCUE	WASHINGTON
CITY OF KISSIMMEE	FLORIDA	WHITE PLAINS POLICE	NEW YORK	LAKE STEVENS FIRE	WASHINGTON
CITY OF ORLANDO	FLORIDA	ALBEMARLE CITY OF	NORTH CAROLINA	MOUNT VERNON FIRE	WASHINGTON
CITY OF OVIEDO	FLORIDA	CITY OF WILMINGTON	NORTH CAROLINA	PORT OF SEATTLE FIRE	WASHINGTON
ESCAMBIA COUNTY	FLORIDA	GUILFORD, COUNTY OF	NORTH CAROLINA	PUYALLUP POLICE	WASHINGTON
FERNANDINA BEACH (CITY OF)	FLORIDA	KERNERSVILLE TOWN OF	NORTH CAROLINA	RENTON FIRE EMS	WASHINGTON
MIAMI BEACH FIRE	FLORIDA	LEE COUNTY - SANFORD NC	NORTH CAROLINA	RENTON POLICE	WASHINGTON
PALM BEACH GARDENS POLICE	FLORIDA	TOWN OF HUNTERSVILLE	NORTH CAROLINA	SHORELINE FIRE	WASHINGTON
SANTA ROSA COUNTY SHERIFF OFFI	FLORIDA	WINSTON SALEM CITY OF	NORTH CAROLINA	SNOHOMISH COUNTY PUBLIC WORKS	WASHINGTON
CITY OF ATLANTA	GEORGIA	CITY OF CLEVELAND	OHIO	SOUTH KING FIRE	WASHINGTON
BOISE FIRE	IDAHO	CITY OF STRONGSVILLE	OHIO	SPOKANE FIRE	WASHINGTON
DUPAGE COUNTY PUBLIC WORKS	ILLINOIS	FRANKLIN COUNTY DD	OHIO	CHARLESTON WVA CITY OF	WEST VIRGINIA
ELGIN FIRE	ILLINOIS	MONTGOMERY COUNTY	OHIO	CITY OF WAUKESHA	WISCONSIN
FOX VALLEY PARK DISTRICT	ILLINOIS	STARK COUNTY	OHIO	COUNTY OF LANGLADE	WISCONSIN
SCHAUMBURG POLICE	ILLINOIS	CITY OF ENID	OKLAHOMA	GREEN BAY POLICE	WISCONSIN
CITY OF ANDERSON	INDIANA	ASHLAND POLICE	OREGON	KENOSHA COUNTY	WISCONSIN
CITY OF AUBURN	INDIANA	CITY OF EUGENE	OREGON	MADISON POLICE	WISCONSIN
CITY OF EAST CHICAGO	INDIANA	CLACKAMAS COUNTY FIRE	OREGON	MANITOWOC COUNTY	WISCONSIN
CITY OF FRANKLIN	INDIANA	CORVALLIS FIRE	OREGON	OAK CREEK POLICE	WISCONSIN
CITY OF GARY	INDIANA	DOUGLAS COUNTY FIRE DISTRICT	OREGON	RACINE COUNTY	WISCONSIN
CITY OF SHELBYVILLE	INDIANA				



# CITY COUNCIL AGENDA ITEM

## Appendix C

### Kronos Evaluation

Date	Product	Attendance	Results
11/20/2014	WorkForce Ready	11 member technology subcommittee	Did not offer all the features to capture the detail required by the city. Determined a different product WorkForce Central would be more appropriate.
12/15/2014	Telestaff	15 member technology subcommittee (additional staff invited specifically responsible for scheduling)	This product is designed for the complex requirements of Public Safety to manage and record staffing levels. Highly rated (5/5) by Police personnel in attendance.
1/8/2015	WorkForce Central	29 member technology committee	Very well received by committee. Includes all the features required by the City. Offers several methods to capture time including time clock, web interface and smartphone app. Scheduling feature however was lacking to manage part time staff. Overall rating 4.6/5.
1/15/2015	Advanced Scheduling	6 member technology subcommittee (staff specifically responsible for part time scheduling)	Very well received by Library and Recreation staff to manage and schedule part time personnel. Rating of 4.97/5.



# CITY COUNCIL AGENDA ITEM

## Appendix D

### Detailed Costs

		Licenses/ Count	One Time Cost	Annual Recurring Cost
<b>Kronos</b>				
<u>Workforce Central</u>	(Hosted)			
Modules included	Timekeeper	700		42,252
	Advance Scheduler	240		3,744
	Activities	120		1,872
Implementation/Training			48,100	
Time clocks				
	Hardware	13	53,577	
	Maintenance			5,265
Oakland County G2G contract			101,677	53,133
<u>Telestaff</u>				
	(On Premise)			
Software		145	19,902	
Maintenance				4,976
Implementation/Training			48,818	520
US Communities contract			68,720	5,496
<b>Voxeo</b>				
	(Hosted)			
<u>Telecom</u>				
Implementation			2,500	
Calls				1,800
Voxeo contract			2,500	1,800
<b>Grand Total</b>			<b>172,897</b>	<b>60,429</b>