

Memorandum



Date: November 29, 2007

To: Honorable Brooks Firestone, Chair
Members, Board of Supervisors

From: Michael F. Brown, County Executive Officer
Susan Paul, Assistant CEO/Human Resources Director

Subject: Human Resources Information System Contract – December 4, 2007
Board Item #A-4

This correspondence is provided to clarify the Human Resources Information System (HRIS) contract which was brought to the Board on November 27, 2007 and continued to the December 4, 2007 Board Meeting. The purpose of the correspondence is to provide the Board with additional information related to the County's efforts to acquire an HRIS and to provide clarification related to this important County Project.

Background

The HRIS is a Capital Improvement Project that was approved by the Board of Supervisors on March 20, 2006 and adopted in the 2007-2008 Budget in June 2007. It implements specialized technology used by the entire organization to manage workforce information. An HRIS is a centralized database that provides access to comprehensive data on employees and the workforce. It allows for greater efficiency through automation, reduces duplication of efforts, and eliminates unnecessary manual processes. More importantly, an HRIS provides a flexible reporting structure that allows speedy access to critical workforce data for use in policy setting and management decision making.

Currently the County does not possess a centralized repository of workforce data. Rather, information is fragmented, incomprehensive, and resides in various locations and systems. The current data environment leads to a fragmented approach to human resource management, inhibits responsiveness, stifles the delivery of excellent service, and presents obstacles to effective workforce management and strategic decision making.

The implementation of an HRIS will increase access to critical workforce data, improve workforce analysis and reporting, facilitate strategic decision making, and automate and streamline current manual and redundant personnel transactions and processes. The system will also provide County leadership with desktop access to workforce data, which will allow for earlier detection and resolution of problematic trends. Further, an

HRIS will provide the backbone technology required to improve the quality of human resources service delivery and will more efficiently support the implementation of important County initiatives such as the County's performance management, the Clerical Class and Comp Project, and the restructuring of countywide Human Resources. Attached to this correspondence is a brochure from the recommended vendor that highlights some of the key features of an HRIS.

HRIS Implementation

The HRIS would be implemented in two phases. The first phase of the Project is estimated at approximately \$670K and the funding is currently designated and available within the CEO/HR budget. The second phase, which will not be implemented until the fall of 2008, a new fiscal year, is estimated at \$133K. Additional salary savings within the CEO/HR budget will be designated to fund this phase of the Project.

Phase I (\$670K) will create the backbone of the system and will include:

- Foundation (employee records, organizational data, work locations, jobs, positions, etc.)
- Salary administration (salary increase regulation, mass pay changes, etc.)
- Position control
- Performance management
- Payroll interface development
- Benefits administration and attendance rules
- Training and jobs profiles including those needed to implement the Clerical Project
- Work flows
- Training for conversion, report development, and system configuration
- Parallel testing

The County will be able to realize significant increased efficiency and effectiveness solely through the work completed in Phase I of the Project. In addition, with the implementation of Phase II (\$133K), the organization will realize the full advantage of an HRIS with the implementation of the following modules:

- Employee and managers self-service

- Forecasting and costing
- Labor relations and safety and health
- Organizational charting
- EEO complaint tracking

HRIS Funding

The County's HRIS has been planned for and was included in the County's five year Capital Improvement Program (CIP). Implementation of the Project began in July 2006. Originally the Project was estimated at \$830K; however the actual contract amount presented to the Board is \$763, 287.

In planning for the implementation of this countywide system, which benefits all 23 departments, CEO/HR has already designated \$553K. In addition, CEO/HR has confirmed with CEO/Budget that there is an additional \$157K available in salary savings to fund Phase I, and salary savings are anticipated to continue to accrue. Additional savings will be used to fund Phase II.

As the chart below demonstrates, full funding is currently available to implement Phase I of the Project; and Phase II funding will not be needed until Fiscal Year 2008-2009; however, additional savings are anticipated to fund Phase II. In the unlikely event that savings are not available to fund Phase II completely, only Phase I will be implemented.

HRIS	Estimated Cost	Amount Available
Phase I – FY 07-08	\$670,000	\$710,000

The contract presented to the Board was not only reviewed by County Counsel, County Counsel was a key member of the contract negotiations team and fully participated in the development and writing of the contract.

The CEO and CEO/HR will return to the Board on December 4, 2007. In the meantime, if you have any questions, please call Mike at extension 3404 or Susan at extension 2817.

Attachment