



DATE: July 25, 2018

TO: Brenda J. Billingsley, Director, Purchasing Division

THRU: John Bruno, CIO, Enterprise Technology Services

FROM: Carol Munemura, Assistant Director, Enterprise Technology Services

PROJECT TITLE: Sixth Amendment - Kronos Support and Services Agreement

REQUISITION NO. TBD

SOLE SOURCE/SOLE BRAND REQUEST

I. REQUEST: Provide a description of the features of the product/service or Scope of Work.

This procurement is the Sixth Amendment to the Software License and Service Agreement with Kronos Inc. for the County's Enterprise Time and Attendance System to extend the Agreement's term until March 28, 2027 and increase the not-to-exceed contract amount by \$2,808,000 for a total not-to-exceed contract amount of \$7,407,996.

The County entered into a five (5) year Software License and Service Agreement with Kronos Inc. for the Enterprise Time and Attendance System RLI R0865206R1 on June 12, 2012.

On May 9, 2017, the Board of County Commissioners approved the Fifth Amendment to the Agreement, which extended the Agreement until March 28, 2019 and increased the not-to-exceed contract amount by \$1,100,000 for a total not-to-exceed contract amount of \$4,599,996.

The System has been installed and provides time keeping functions which include, but not limited to, the following:

- Ability to manage time and attendance of over 6000 County employees for each pay period
- A pay rule engine where the County can easily define business rules
- Ability to process approvals, timecard entry and edits, pay premiums and differentials
- Ability for interactive reporting and labor scheduling

Planned enhancements to the time keeping functions include but are not limited to:

- Ability to interface with the County's ERP Human Capital Module
- Ability to track leave and attendance through the implementation of the Workforce Absence Management (WAM) module
- Ability to process and track historical corrections to payroll records

The Kronos Time and Attendance agreement includes software licenses, hardware, managed and hosting services, and as needed, the engagement of Kronos professional services. The Kronos Time and Attendance System is proprietary to Kronos, Inc., and can not be obtained from any other vendors.

II. JUSTIFICATION: Please check all boxes that describe your reason(s) for determining that only one source or brand is reasonably available.

Only Sole Source/ Uniqueness

- Proprietary Item - this vendor/source has the only rights to provide this service or commodity. A letter from the manufacturer or authorizing entity is included in this request.
- Technology Improvements - updates or upgrades to an existing system, software, software as a service (SaaS), hardware purchases.
- Engineering Direction - engineering drawing or specification identifies product; "no substitutes or equivalents will be acceptable."
- Only qualified supplier - reliability and maintainability of the product or service would be degraded unless specified supplier is used; may void warranty. This request includes a copy of the current warranty information.
- Other/or Additional information - the County requires this sole source, sole brand purchase for the following reasons:

Business Case (One/Most Reasonable Source or One/Most Reasonable Brand)

- Operational Compatibility - replacement parts from alternate suppliers are not interchangeable with original part and causes equipment incompatibility. Previous findings and/or documentation is included with this request.
- Ease of Maintenance - maintenance or retooling prohibits competition. Section III, Comparative Market Research includes estimated costs associated with changing current source and/or brand.
- Follow-On - potential for continued development or enhancement with same supplier and eliminates costs incurred by using different supplier. Section III, Comparative Market Research includes estimated costs for replacing current or existing system.
- Complies with existing community and safety standards, and/or laws, rules, and regulations.
- Exempted from the Procurement Code - per Section 21.18 of Broward County Administrative Code.
- Other/or additional information - using this sole source, sole brand purchase benefits the County for the following reasons:

On September 11, 2016 Broward County completed the implementation of the Kronos Time and Attendance for all agencies. On June 19, 2018, an upgrade of the System to improve functionality and ease of use was completed. Future implementation is planned for the Workforce Absence Manager (WAM) which is in scope of the original agreement. The Kronos Time and Attendance agreement includes hosting and maintenance support, software licenses, hardware and maintenance support, environments for disaster recovery and testing, on-line training subscription, and as needed, the engagement of Kronos professional services.

The long-term contract allows for continuation of a planned collaborative effort between Kronos, Sierra Cedar (ERP) and the County. This effort will allow the Kronos Enterprise Time and Attendance System to interface with PeopleSoft as a replacement for Cyborg, the County's current payroll system, for improved functionality and longer potential life-span. As new features and functionality are implemented, hosting test environments will be required.

With the upgrade to version 8.1 completed on June 19, 2018, the County is now using the latest version release of the Kronos system. Within the time frame of this Agreement extension, Kronos may require the County to upgrade to a future release, and professional services may be required for that effort.

III. COMPARATIVE MARKET RESEARCH: Provide a detailed source or market analysis for justification of sole source/brand or most reasonable source (attach extra sheets as needed).

Estimated project value: 2,808,000.00 Contract length (if applicable): five years plus one optional three year renewal period.

Expenses to date: 4,599,996.00

Has this commodity or service been previously provided to the County? Yes No

If yes, when and by whom? 2014 to present by Kronos, Inc.

How was item/service procured? Two-party agreement

What is the current contract (MA) or purchase order number?

If this is a sole brand, is there an "authorized" dealers list? Yes No

Cost/Benefit Analysis: What would the cost be to utilize an alternate vendor or source? This explanation should include the savings and/or additional costs to the County by not using the preferred vendor or source. Attach additional sheets if needed.


The County has invested nearly \$5 million dollars to implement, maintain and upgrade the software and hardware comprising the Kronos Time and Attendance System. The benefits of continuing this relationship with Kronos include hosting support and maintenance of the equipment and application which are necessary to maintain accurate accounting of employee time.

Mitrefinch, HRMSSoft, NOVAtime and Timeforce are all alternative time keeping software organizations. Choosing an alternative source at this time for this functionality would require the County to undergo another procurement process taking a minimum of a year and downtime of the System upon the expiration of the current Agreement in March 2019 because a new System could not be procured and implemented prior to that time. Transitioning from the current Kronos Time and Attendance System to a new Time and Attendance System would require a considerable amount of cost and effort.

CERTIFICATION: I have thoroughly researched the sole source or sole brand justification and fully understand the implications of Section 838.22 of the Florida Statutes:

(2) "It is unlawful for a public servant, with corrupt intent to obtain a benefit for any person or to cause unlawful harm to another, to circumvent a competitive bidding process required by law or rule by using a sole source contract for commodities or services."

(5) "Any person who violates this section commits a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084"

Carol Munemura	CAROL MUNEMURA	Digitally signed by CAROL MUNEMURA Date: 2018.07.26 16:26:50 -04'00'	07-26-18
REQUESTOR/EVALUATOR (PRINT)	REQUESTOR/EVALUATOR (SIGN)		DATE
John Bruno		Digitally signed by JOHN BRUNO Date: 2018.07.26 18:00:27 -04'00'	July 26, 2018
DEPT/DIV DIRECTOR OR DESIGNEE (PRINT)	DEPT/DIV DIRECTOR OR DESIGNEE (SIGN)		DATE

The Purchasing Agent has reviewed the request and has completed the required due diligence per the Procurement Code Section(s) 21.34 and 21.35. The Purchasing Agent recommends the following:

- Sole Source
 Sole Brand
 Reasonable Source
 RFI attached
 Rejected
 Request Authorization to Negotiate

Additional Information:

Agent of concern recommends proceeding with negotiations to extend the Kronos Agreement through the development of Amendment No. 6 of the Agreement. The investment already expended for this county-wide time clock software system verses the amount required to implement a new system warrants continuing with the existing time clock system through its useful life.

Purchasing Agent Signature: **LEAHANN LICATA**
 Digitally signed by LEAHANN LICATA
 DN: dc=cty, dc=broward, dc=bc, ou=Organization, ou=BCC, ou=PU, ou=Users, cn=LEAHANN LICATA
 Date: 2019.01.17 11:56:11 -05'00'
 Date: January 17, 2019

DAVID CLEMENTE
 Digitally signed by DAVID CLEMENTE
 DN: dc=cty, dc=broward, dc=bc, ou=Organization, ou=BCC, ou=PU, ou=Users, cn=DAVID CLEMENTE
 Date: 2019.01.17 12:13:47 -05'00'

APPROVAL AUTHORITY
 REASON/SUGGESTED ACTION (IF DISAPPROVED):

Note- The extension of contract for five (5) years with the option to renew for three (3) one year periods require Commission approval. Accordingly, Amendment No. 6 must be approved by the Board based contract term and dollar amount.

Signature: _____ Date: 1/21/19

GLENN MARCOS
 Digitally signed by GLENN MARCOS
 DN: dc=cty, dc=broward, dc=bc, ou=Organization, ou=BCC, ou=PU, ou=Users, cn=GLENN MARCOS
 Date: 2019.01.21 22:30:40 -05'00'