



Legislation Text

File #: 22-2121, Version: 1

Resolution to Approve a Purchase Order to The Ultimate Kronos Group (UKG), Inc for a Learning and Development Management Module within the UKG HRIS System FY2023 - FY2025 (\$110,462.00) **(8 Votes Required)**

Attached for your review and action is a resolution approving an Amendment to the City's Software Contract with The Ultimate Kronos Group (UKG) to add the UKG Learn module to the City's current contract in the amount of \$100,420.00 plus a 10% contingency (\$10,042.00) to account for potential increases in FTEs for a total of \$110,462.00.

Budget/Fiscal Impact: The FY2023 portion of \$10,420.00 will be paid from the Information Technology Services Unit fund balance. The remaining \$90,000.00 is anticipated to be budgeted for in the FY2024 and FY2025 Information Technology budget.

The following costs are estimated to begin the Learning and Development Management Module within UKG during FY 23:

**FY 2023:**

Base Launch Fee	\$5,250.00
Excess User Fee*	\$1,420.00
License Cost**	\$3,750.00
Total:	\$10,420.00

\*The "Launch Quantity: in the quote was 1,007, we are charged \$10.00 for all licenses in excess of 10% of that counts: 1,250-1108=142  
\*\*1,250 Users \*\$3/User\*1 Month

It is estimated that an average of 1,250 full-time, part-time and temporary employees will utilize this program each month with a cost of \$3 per user making the annual costs in FY 24 and FY 25 an estimated maximum cost of \$45,000.00. UKG will only bill the City for the actual number of employees using the program per month.

**FY 2024/FY 2025:**

License Cost: \$45,000.00 (1,250 \*\$3 per user per Month\* 12 Months)

Total through FY 2025: \$100,420.00

In recent years, the City's relationship with The Ultimate Kronos Group has been expanded to include: Onboarding (resolution #19-2412); Support for the Affordable Care Act (resolution #19-0072); and Support for the City's retiree population (resolution #18-1640).

The proposed amendment for UKG Learn will allow users to create training materials as well as assign, track, and report on training for all employees in our organization. Course content will include, but not be limited to DEI Training, HR Compliance Training, On the Job Training, Employee Onboarding, Leadership Development, and Employee Development courses, and can be scaled

across the organization as needed. Additionally, the UKG Learn module will be fully integrated with our HRIS and payroll data.

UKG complies with the requirements of the City's Non-discrimination and Living Wage ordinances.

Prepared by: Joshua Baron, Applications Delivery and BI Manager, ITSU

Reviewed by: Tom Shewchuk, Director, ITSU

Debra Buckson, Chief Human Resources & Labor Relations Officer

Laura Orta, Director of Organizational Equity

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The City of Ann Arbor has seen significant improvement in Human Resource and Payroll management since the implementation of UltiPro Human Resource and Payroll System;

Whereas, The City of Ann Arbor has expanded its relationship with The Ultimate Kronos Group, Inc. to include: Onboarding; Support for the Affordable Care Act; and Support for the City's retiree population;

Whereas, The proposed Amendment allows the City to procure the UKG Learn module to create training materials as well as assign, track, and report on training for all employees in our organization;

Whereas, Funding for the FY2023 portion of \$10,420.00 will be paid from the Information Technology Services Unit fund balance;

Whereas, The Information Technologies Services Unit plans to budget sufficient funding for FY2024 and FY2025 in the Information Technology Services Unit budget; and

Whereas, The Ultimate Kronos Group, Inc. complies with the requirements of the City's Non-discrimination and Living Wage ordinances;

RESOLVED, That City Council approve the attached Amendment to the City's Software Contract with The Ultimate Kronos Group Inc. to add the UKG Learn module to the City's current contract for FY2023 - FY2025 in the amount of \$100,420.00;

RESOLVED, That City Council appropriate \$10,420.00 from the FY2023 Information Technology Services fund balance to the FY2023 Information Technology Services fund budget to cover the full cost of the FY2023 subscription fees with The Ultimate Kronos Group, Inc. for the UKG Learn Module;

RESOLVED, That City Council approve and appropriate a ten percent (10%) contingency in the amount of \$10,042.00 from the FY2023 Information Technology Services fund balance to the FY 2023 Information Technology Services fund budget to be expendable from the Information Technology Services Unit budget, subject to City Administrator approval;

RESOLVED, That the amounts authorized herein may be used without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution regardless of fiscal year including execution of any amendments that do not exceed the amounts authorized herein.