



Legislation Text

File #: 20-0449, Version: 1

Resolution to Approve an Amendment to the City's Agreement with The Ultimate Software Group Inc. for UltiPro Human Resources and Payroll Subscription Services for FY2021 - FY2025 (\$1,644,163.65) **(8 Votes Required)**

Attached for your review and action is a resolution approving an Amendment to the City's Software Contract with The Ultimate Software Group Inc. ("Ultimate") to extend the City's current contract for five years for maintenance and support of the UltiPro Human Resources and Payroll software for FY2021 - FY2025 in the amount of \$1,494,694.23 plus a 10% contingency (\$149,469.42) to account for potential increases in FTEs for a total of \$1,644,163,65.

Cost Breakdown:

- FY2021:	\$292,103.79
- FY2022:	\$295,324.89
- FY2023:	\$298,887.62
- FY2024:	\$302,539.27
- FY2025:	<u>\$305,838.66</u>
Total:	\$1,494,694.23

Budget/Fiscal Impact: This expenditure is planned and partially budgeted in the proposed FY2021 Information Technology Services Unit budget. The renewal cost of this contract amendment was anticipated when the FY 2021 Information Technology Services Unit budget was completed. An additional \$43,104.00 is being requested from the FY 2021 Information Technology Services fund budget. The expenditure is planned to be budgeted in the FY2022 - FY2025 Information Technology Services Unit budgets. In addition, a budget appropriation for a 10% contingency in the amount of \$149,469 is being requested.

The UltiPro Human Resource and Payroll System has been instrumental in allowing the City to systematically manage and control human resource functions, time keeping and payroll. Using the Time and Attendance module, City personnel can enter their current hours worked, submit requests for personal time off and view current and historic paychecks anytime and anywhere. Using the web-based Human Resource module employees can elect their benefits and develop their objectives, while managers can perform reviews, manage employee development and recruit new employees.

In recent years, the City's relationship with Ultimate 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). This resolution will bring together all the City's current services under the same duration and pricing structure.

The proposed amendment is imperative to maintain our relationship with Ultimate so the City can receive application updates and maintain support.

Ultimate complies with the requirements of the City's Non-discrimination and Living Wage

ordinances.

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

Reviewed by: Tom Shewchuk, Director, Information Technologies Service Unit

Reviewed by: Matthew V. Horning, Interim CFO & Financial Services Administrator

Approved by: Tom Crawford, Interim 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 Software 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 lock in a favorable pricing structure with The Ultimate Software Group, Inc. for the UltiPro Human Resource and Payroll System and is necessary for continued use of the system, receiving application updates and maintaining support;

Whereas, The annual cost for the proposed amendment with The Ultimate Software Group, Inc. is \$292,103.79, with a five-year total cost of \$1,494,694.23;

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

Whereas, a portion of the cost to renew this contract (\$249,000.00) has been budgeted in the FY 2021 Information Technology Services Unit budget; and

Whereas, The Information Technologies Services Unit plans to budget sufficient funding for FY2022 through FY2025 in the Information Technology Services Unit budget;

RESOLVED, That City Council approve the attached Amendment to the City's Software Contract with The Ultimate Software Group Inc. to extend the City's current contract for five years for maintenance and support of the UltiPro Human Resources and Payroll software for FY2021 - FY2025 in the amount of \$1,494,694.23;

RESOLVED, That City Council appropriate \$43,104.00 from the FY2021 Information Technology Services fund balance to the FY2021 Information Technology Services fund budget to cover the full cost of the FY2021 subscription fees with The Ultimate Software Group, Inc. for Ultipro Human Resources and Payroll Subscription Services;

RESOLVED, That City Council approve and appropriate a ten percent (10%) contingency in the amount of \$149,469.00 from the FY2021 Information Technology Services fund balance to the FY 2021 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 such Amendment, 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 or other contract documentation that does not exceed the amounts authorized herein.