

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SAN BERNARDINO  
AND RECORD OF ACTION**

July 28, 2020

**FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

**SUBJECT**

Agreement with Kronos Incorporated for Time and Attendance Management System

**RECOMMENDATION(S)**

Approve **Agreement No. 20-601** with Kronos Incorporated, for Time and Attendance Management System in the amount of \$3,000,000, for the period of July 29, 2020 through July 28, 2025.

(Presenter: William L. Gilbert, Director, 580-6150)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Improve County Government Operations.**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

Approval of the item with Kronos Incorporated will not result in the use of Discretionary General Funding (Net County Cost). The cost of \$3,000,000 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Sufficient appropriation and revenue are included in the Arrowhead Regional Medical Center (ARMC) 2020-2021 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

ARMC currently utilizes the ADP, Inc. Time and Attendance System to collect payroll data for approximately 3,700 employees. The data collected is transmitted to the County of San Bernardino Employee Management and Compensation System (EMACS), which is administered through PeopleSoft, to process and generate employee paychecks bi-weekly. There are 36 Time Clocks located throughout ARMC and offsite locations such as the Family Health Clinics. Data collection is accomplished through an Employee Identification Badge, which is equipped with a magnetic strip. Each ARMC employee records his or her attendance by swiping the badge through a designated time clock.

After using and upgrading the ADP, Inc. Time and Attendance System for more than ten years, ARMC engaged in a competitive bid process in accordance with existing County policies and procedures. The Kronos system was selected based on meeting ARMC's criteria and delivering a robust time and tracking system that allows employees to submit leave requests, make time adjustments, and review and approve their time tracking within the same pay period. The Kronos system will provide all elements of hourly, salaried timekeeping, absence and

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advanced scheduling, as well as advanced analytics and reporting that are uniquely tailored for the healthcare environment.

The contract is based on the County standard contract, supplemented with Kronos' standard terms, and negotiated by the parties, and includes the following non-standard terms:

1. There is no termination for convenience.
  - The County standard contract gives the County the right to terminate the Contract, for any reason, with a thirty (30) day written notice of termination without any obligation other than to pay amounts for services rendered and expenses reasonably incurred prior to the effective date of termination.
  - Potential Impact: The County can only terminate the contract if it is unable to secure funding for ongoing payment obligations or in the event of an uncured breach by Kronos.

Approval of this action will allow ARMC to replace the existing system with an updated system that is cost effective and more efficient.

**PROCUREMENT**

On September 16, 2020, a Request for Proposal (RFP) was approved by the County Administrative Office and RFP MCR19-13 for time and attendance was released through the County of San Bernardino's Electronic Procurement (ePro) network on October 3, 2019. The ePro BID# ARMC120-ARMC-3539 opening date for competitive bid was October 29, 2019. Based on the criteria of the RFP, a total of seven vendors submitted proposals by the deadline October 29, 2019.

Vendor Name	Vendor Location
API Healthcare Corporation now a part of symplr	Hartford WI
Care Systems Inc.	Rockville, MD
Kronos Incorporated	Chelmsford, MA
TimeClock Plus, Data Mangement Inc	San Angelo, TX
Workforce Software LLC	Livonia, MI
JB Developers Inc.	El Dorado Hills, CA
IntelliTime Systems Corporation	Santa Ana, CA

An evaluation committee comprised of representatives from Human Resources, Arrowhead Regional Medical Center (ARMC) Administration, and ARMC Information Management evaluated proposals based on qualifications, experience, technical review and cost. Based on the overall scoring of the proposals from the evaluation team, Kronos Incorporated was recommended a five-year agreement. No protests were received during the RFP process and Purchasing supports the recommendation.

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**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Bonnie Uphold, County Counsel, 387-5455) on June 29, 2020; Purchasing Department (Jacqueline Ambrose, Lead Buyer, 387-2060) on June 30, 2020; ARMC Finance (Chen Wu, Finance Budget Officer, 580-3165) on July 06, 2020; Finance Department (Yael Verduzco, Administrative Analyst, 387-5285) on July 10, 2020; County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on July 13, 2020.

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Record of Action of the Board of Supervisors  
County of San Bernardino

**APPROVED (CONSENT CALENDAR)**

Moved: Josie Gonzales Seconded: Robert A. Lovingood

Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: July 28, 2020



cc: ARMC- Gilbert w/agree  
Contractor- C/O ARMC w/agree  
File- w/agree  
la 07/29/2020