

ITEM #:	15
DATE:	11-18-25
DEPT:	HR

COUNCIL ACTION FORM

SUBJECT: **HUMAN RESOURCES MANAGEMENT SOFTWARE**

BACKGROUND:

The City has been operating with a variety of methods to carry out Human Resources and Payroll functions, including hiring employees, maintaining employee records, recording employee schedules and time records, and managing employee performance. These various methods often do not interact with each other and over time have caused the creation of a number of separate systems.

Some records are maintained in the City's payroll system, while others are maintained on department-specific software that does not integrate with other City systems, and still other records are maintained using other software platforms. Staff believes there is significant benefit to having all employee data stored in one system that can be integrated with its existing financial and payroll system. A suite of Human Resources Management tools will allow for efficient data management and improvements to the user experience.

REQUEST FOR PROPOSAL:

On March 18, 2025, a Request for Proposal (RFP) was issued for the procurement of a Human Resources Management System (HRMS) software package. The RFP was viewed by 21 vendors, and 11 vendors submitted proposals by the closing date of April 16, 2025.

The evaluation process was conducted in two phases. The first phase involved a proposal review by the Evaluation Committee, which included representatives from Human Resources, Finance, Information Technology, Parks and Recreation, Police, Fire, CyRide, and Electric. The team evaluated proposals based on the following criteria:

- Usability
- Software Solution (alignment with the City's needs and goals)
- Implementation Plan
- Experience and References
- Cost

Following the initial evaluation, GovernmentJobs.com, Inc. (dba NEOGOV) and UKG Kronos Systems, LLC were invited to participate in the demonstration phase. In the demonstration phase, both vendors were asked to provide detailed presentations of their HRMS software, focusing on Usability, Functionality, Adaptability, and Integration with the City's existing systems and HR processes. Demonstrations emphasized key operational areas such as Time and Attendance, Scheduling, and Applicant Tracking.

Following the demonstrations and subsequent evaluation, NEOGOV emerged as the top-ranked vendor. The Evaluation Committee determined that NEOGOV's proposed solution provided a stronger overall alignment with the City's operational needs and long-term HR goals. Specifically, NEOGOV's Time and Attendance and Scheduling modules offered better

flexibility to accommodate the unique scheduling requirements of departments such as Fire, Police, and Electric. A detailed breakdown of the evaluation scores and final rankings is included as Attachment 1.

Following completion of the evaluation and demonstration phases, staff entered into final negotiations with GovernmentJobs.com, Inc. (dba NEOGOV) for the purchase, implementation, and support of a new Human Resources Management System (HRMS) for the City.

The evaluation and final ranking include modules that, upon careful review, staff determined are beyond the City's current financial capacity. As a result, staff selected the following Modules for inclusion in the agreement:

- **CoreHR:** Serves as a centralized system for managing all employee data, including job titles, work rules, and personal information, while automating HR workflows.
- **Time and Attendance:** Enables accurate tracking of employee time, leave balances, accruals, and absences using flexible rule configurations and self-service tools, enhancing payroll accuracy and operational efficiency.
- **Schedule:** Tracks and manages schedule building, rotating schedules, daily shift changes, staffing levels, and approvals for leave and overtime, giving departments real-time scheduling visibility.
- **Perform:** Automates performance reviews and employee goal tracking and check-ins with standardized workflows and dashboards that support continuous development and compliance with regulatory requirements.
- **Onboard:** Centralizes all new-hire paperwork, tasks, and resources in a customizable digital portal, enabling the City to reduce manual processing, and improve regulatory compliance

The proposed contract with NEOGOV includes annual renewals with up to four additional 12-month renewal periods. The total five-year cost of the system is estimated at \$566,712.40, which includes software licensing, hardware, implementation services, and ongoing support. A detailed funding breakdown is included in the attached spreadsheet as Attachment 2.

The agreement is scheduled to begin on November 19, 2025, with an estimated implementation period of 4–6 months, culminating in the system's go-live date in early to mid-2026. Implementation will include data migration, system configuration, training, and integration with the City's existing payroll and financial software.

As part of the project, the City will also upgrade its Central Square Naviline ERP system to support integration between HRMS and the City's financial data. The Central Square Fusion API add-on will enable automated data exchange between the two systems. The Information Technology Division estimates related costs at \$2,160 for setup fees and \$12,000 in annual fees. The Fusion API add-on can also be used for future software projects that require Central Square integration, potentially resulting in future cost savings.

In addition, several departments require physical time-tracking devices for clock-in/clock-out functionality. Up to 10 touchscreen devices (e.g., iPads) will be purchased at an estimated \$350 each to support this need.

Costs for the Year One of the contract, including all annual software costs, Central Square add-on software, and one-time setup costs, total \$93,330.10. The ongoing annual software licensing and support costs will be included in future operating budgets.

FUNDING:

For the past several years, the City has carried forward one-time funding of \$112,300 intended for the purchase of an HRIS system. In addition, the HR operating budget has included \$50,000 annually to support recurring system costs.

Because the proposed agreement with NEOGOV includes escalating fees over the five-year term, staff recommends applying the \$112,300 in one-time funding unevenly across the first five years. This approach allows the City to smooth out the year-to-year cost increases, rather than absorbing large jumps in any single budget year.

By strategically allocating a larger portion of the one-time funds in the years with steeper cost escalation, and less in the later years, staff can maintain a more predictable and manageable annual increase. As a result, the HR operating budget impact is expected to average increases of \$15,482 per year over the initial five-year contract period, improving long-term budgeting and reducing the spikes in future budgets.

The following table reflects the five year cost of the software to the City:

	Total Cost	One-time Funding	Cost	Current Allocation	Cost Less Current Allocation	Increase
Year 1 Cost	93,330	33,330	60,000	50,000	10,000	10,000
Year 2 Cost	91,921	19,921	72,000	50,000	22,000	12,000
Year 3 Cost	115,872	26,872	89,000	50,000	39,000	17,000
Year 4 Cost	127,847	21,847	106,000	50,000	56,000	17,000
Year 5 Cost	137,742	10,330	127,412	50,000	77,412	21,411
Totals:	\$566,712	\$112,300	\$454,412	\$250,000	\$204,412	\$77,412

Additionally, the system is anticipated to replace multiple standalone software products currently used across various departments, which will partially offset a portion of the system costs. The contract includes an annual appropriation clause should the City choose to discontinue the use of the software.

ALTERNATIVES:

1. Award a contract with GovernmentJobs.com, Inc. (dba NEOGOV) for a Human Resources Management System (HRMS) software package in an amount not to exceed \$93,330.10 for the first year of the contract.

2. Direct staff to negotiate a contract a Human Resources Management System (HRMS) software package with one of the other companies that submitted a proposal to the City.
3. Do not award a Human Resources Management System (HRMS) software package.

CITY MANAGER'S RECOMMENDED ACTION:

GovernmentJobs.com, Inc. (dba NEOGOV)'s proposal provides the City with the best value to implement a modern, integrated HRMS solution. The system will consolidate multiple HR and departmental processes into a single platform, improving efficiency, consistency, and data accuracy across the organization. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1, as described above.

ATTACHMENT(S):

[Attachment 1.xlsx](#)

[Attachment 2.xlsx](#)