



City of Grand Island
Tuesday, July 23, 2019
Council Session/Budget Work Session

Item G-14

**#2019-222 - Approving Purchase of ExecuTime Software and
Applicable Hardware from Tyler Technologies**

Staff Contact: Patrick Brown, Finance Director

Council Agenda Memo

From: Patrick Brown, Finance Director

Meeting: July 23, 2019

Subject: Consideration of Approving Purchase of ExecuTime Software and Applicable Hardware from Tyler Technologies

Presenter(s): Patrick Brown, Finance Director

Background

Currently, the City of Grand Island operates in a decentralized manner to track time for all employees. The departments also utilize various forms of paper time cards for employees to fill in and sign off on for the hours they have worked. Some departments also use complicated excel files or similar paper documents for calculating the appropriate time worked for items such as shift differentials or overtime. Finally, payroll was an area of significant deficiency noted in the 2018 City Audit Report.

Discussion

The ExecuTime software will improve the overall accuracy of payroll and save time by eliminating the need for rework at several points within the payroll process. The software will also save time by minimizing errors from the miscalculation of time or incorrect recording of time on manual time cards. Information is included that discusses in detail the potential savings obtained by moving to an automated time keeping system, such as ExecuTime. It is estimated that an employer with 500 employees could potentially save \$715,000/yr. and even if the City of Grand Island only saves ¼ of that, then the system has already paid for itself by the end of year one.

The primary improvements offered by ExecuTime are:

- Time clock integration – The utilization of time clocks will lead to improved accuracy in the reporting of time for hourly employees and eliminate the time employees spend recording their hours on a paper time sheet. Secondly, with the elimination of paper, review of payroll will be seamless while reducing the cost of paper and labor due to scanning timesheets for long-term retention. The time clocks will help with labor regulation compliance.

Additionally, the time clocks we have selected to purchase offer employees who do not regularly sit at a computer a more streamlined method for requesting time off. As it can be done directly from the touchscreen time clock itself. Which could result in additional time saved.

- Calculations – The software will calculate when items such as holidays, shift differential or overtime apply. The system can also accommodate the different schedules utilized by the Police and Fire departments. Currently, this is a manual process performed by each department and then verified by the payroll department. It can be a very time consuming process and prone to error.
- Electronic approval – The software will allow employees to electronically approve their time for each pay period and then route it to the supervisor for final approval. After this occurs, all time then feeds seamlessly into our existing payroll system (Munis) for the payroll department to then process. This will minimize the changes needed to time after it has been submitted by a supervisor. It will also electronically capture that all employees are approving and agreeing to the time in the current pay period.

One other benefit the ExecuTime software offers is advanced scheduling. This is a tool that the Police department plans to use for scheduling their shifts and ensuring each shift maintains adequate staffing. Currently, the Police Department accomplishes this by utilizing shared Outlook calendars, excel workbooks and printed pages. The ExecuTime advanced scheduling tool will allow everyone in the Police Department to work within the same tool and it will provide accurate real time updates.

The year one cost of the software is \$99,862 and the cost of the time clocks that need to be purchased for all applicable locations citywide is \$43,380. This cost will be paid for using the \$95,021.01 credit card rebate we received in 2019, \$21,175.30 will be paid by the Finance department and the remaining amount of \$27,045.69 will be paid for by other funds based on their FTE counts. The recurring maintenance cost, estimated at \$5,641/yr., will be paid for with the regular Tyler Technologies maintenance billing that is typically paid for in September annually by the Information Technology department.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Amend the resolution
3. Refer the issue to a Committee
4. Postpone the issue to future date
5. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the purchase of the ExecuTime Software and the related hardware for a total one-time cost of \$143,276 and estimated yearly recurring cost of \$5,641.

Sample Motion

Move to approve the resolution as presented.



IDENTIFY POTENTIAL SAVINGS WITH EXECUTIME TIME & ATTENDANCE

A typical 200-employee company has a four million dollar payroll. The potential savings generated by automating Time & Attendance operations adds as much as \$1/4 million to your bottom line! This 6.875% labor savings is based on a study performed by the American Payroll Association and Robert Half in calculation, lost time and error factors alone. The additional benefit of better management decisions based on accurate labor information, and automatic exports to payroll are more difficult to place a value on.

SAVINGS FACTOR	50 EMPLOYEES	100 EMPLOYEES	250 EMPLOYEES	500 EMPLOYEES	1000 EMPLOYEES
Calculation	\$3,900	\$7,800	\$19,500	\$39,000	\$78,000
Lost Time	\$52,000	\$104,000	\$260,000	\$520,000	\$1,040,000
Human Error	\$15,600	\$31,200	\$78,000	\$156,000	\$312,000
TOTAL	\$71,500	\$143,000	\$357,500	\$715,000	\$1,430,000

Manual Calculation Factor

It is estimated it takes a bookkeeper approximately 7 minutes to manually add up time sheets, calculate over-time and enter data. Add to this the time spent correcting time and leave errors, and transferring data to your payroll program or telephoning your payroll service bureau. ExecuTime could save you at least six hours of time per employee each year, which calculates to over \$15,000 per year for a 200-employee company.

Lost Time Factor

Studies have shown the average employee is overpaid for 4 hours and 5 minutes of unauthorized or unearned time each week (late breaks, tardiness, early departure). Assuming automation reduces “lost time” by 24 minutes per day – that’s two hours each week, ExecuTime could save your 200-employee company over \$200,000 per year.

Human Error Factor

Studies have shown payroll error factors to be between 1% and 8% of total payroll and include accuracy in reading time sheets, transposing numbers, rounding and calculation errors. Assume your error factor is minimal, approximately 1% of payroll, you lose \$62,400 each year in a 200-employee company.

“With ExecuTime, it's all automatic. You hardly have to even think about it.”

-Bridgeport IT Technician



Quoted By: Justin Almy
 Date: 6/14/2019
 Quote Expiration: 7/14/2019
 Quote Name: City of Grand Island, NE - ERP - Executime
 Quote Number: 2019-64588
 Quote Description: Executime

Sales Quotation For

City of Grand Island
 PO Box 1968
 Grand Island, NE 68802-1968
 Phone +1 (308) 385-5444

Tyler Software and Related Services

Description	License	Impl. Hours	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Human Capital Management:						
ExecuTime Advanced Scheduling (150)	\$15,490.00	48	\$8,400.00	\$0.00	\$23,890.00	\$3,098.00
ExecuTime Advanced Scheduling Mobile Access	\$4,375.00	0	\$0.00	\$0.00	\$4,375.00	\$875.00
ExecuTime Time & Attendance (750)	\$30,975.00	144	\$25,200.00	\$0.00	\$56,175.00	\$6,195.00
ExecuTime Time & Attendance Mobile Access	\$5,585.00	0	\$0.00	\$0.00	\$5,585.00	\$1,117.00
Sub-Total:	\$56,425.00		\$33,600.00	\$0.00	\$90,025.00	\$11,285.00
<i>Less Discount:</i>	<i>\$5,644.00</i>		<i>\$0.00</i>	<i>\$0.00</i>	<i>\$5,644.00</i>	<i>\$5,644.00</i>
TOTAL:	\$50,781.00	192	\$33,600.00	\$0.00	\$84,381.00	\$5,641.00

Other Services

Description	Quantity	Unit Price	Unit Discount	Extended Price
Investment Assessment - PR/HR	16	\$160.00	\$0.00	\$2,560.00
Investment Assessment Write Up - PR/HR	8	\$160.00	\$0.00	\$1,280.00
Project Planning Services	1	\$6,000.00	\$0.00	\$6,000.00
TOTAL:				\$9,840.00

2019-64588 - Executime

CONFIDENTIAL

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Summary	One Time Fees	Recurring Fees
Total Tyler Software	\$50,781.00	\$5,641.00
Total Tyler Services	\$43,440.00	\$0.00
Total 3rd Party Hardware, Software and Services	\$0.00	\$0.00
Summary Total	\$94,221.00	\$5,641.00
Contract Total	\$99,862.00	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held for six (6) months from the Quote date or the Effective Date of the contract, whichever is later.

Customer Approval: _____ Date: _____
 Print Name: _____ P.O. #: _____

All primary values quoted in US Dollars

Tyler Discount Detail

Description	License	License Discount	License Net	Maintenance Basis	Year One Maint Discount	Year One Maint Net
Payroll/HR:						
ExecuTime Advanced Scheduling (150)	\$15,490.00	\$1,549.00	\$13,941.00	\$3,098.00	\$1,549.00	\$1,549.00
ExecuTime Advanced Scheduling Mobile Access	\$4,375.00	\$438.00	\$3,937.00	\$875.00	\$438.00	\$437.00
ExecuTime Time & Attendance (750)	\$30,975.00	\$3,098.00	\$27,877.00	\$6,195.00	\$3,098.00	\$3,097.00
ExecuTime Time & Attendance Mobile Access	\$5,585.00	\$559.00	\$5,026.00	\$1,117.00	\$559.00	\$558.00
TOTAL:	\$56,425.00	\$5,644.00	\$50,781.00	\$11,285.00	\$5,644.00	\$5,641.00

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
 - Implementation and other professional services fees shall be invoiced as delivered.
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
 - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
 - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
 - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to services fees specifically for migrations: Tyler will invoice Client 50% of any Migration Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite.
- Expenses associated with onsite services are invoiced as incurred.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely, but can be done onsite upon request at an additional cost.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Comments

Implementation hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

Project Management includes project planning, kickoff meeting, status calls, task monitoring, verification and transition to support.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.

Development modifications, interfaces and services, where applicable, shall be invoiced to the client in the following manner: 50% of total upon authorized signature to proceed on program specifications and the remaining 50% of total upon delivery of modifications, interface and services.



Quoted By: Justin Almy
Date: 6/14/2019
Quote Expiration: 12/11/2019
Quote Name: City of Grand Island, NE - ERP - TimeClocks
Quote Number: 2019-87501
Quote Description: Time Clocks

Sales Quotation For

City of Grand Island
PO Box 1968
Grand Island, NE 68802-1968
Phone +1 (308) 385-5444

3rd Party Hardware, Software and Services

Description	Quantity	Unit Price	Unit Discount	Total Price	Unit Maintenance	Unit Maintenance Discount	Total Year One Maintenance
Touchscreen: Proximity Reader (HID)	20	\$2,410.00	\$241.00	\$43,380.00	\$0.00	\$0.00	\$0.00
<i>3rd Party Hardware Sub-Total:</i>			<i>\$4,820.00</i>	<i>\$43,380.00</i>			<i>\$0.00</i>
TOTAL:				\$43,380.00			\$0.00

Summary

	One Time Fees	Recurring Fees
Total Tyler Software	\$0.00	\$0.00
Total Tyler Services	\$0.00	\$0.00
Total 3rd Party Hardware, Software and Services	\$43,380.00	\$0.00
Summary Total	\$43,380.00	\$0.00
Contract Total	\$43,380.00	

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Customer Approval: _____

Date: _____

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All primary values quoted in US Dollars

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

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- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
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Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely, but can be done onsite upon request at an additional cost.

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Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.

If a Tyler client desires clocks that do not have direct connectivity back to the network server ExecuTime resides on, then a VPN device installation, to be provided at Tyler's then-current prices, will be needed for every location where a clock may reside.

Clocks will be shipped upon receipt of a signed quote or addendum. The warranty period starts when the clocks are shipped. The warranty period ends whichever occurs first, either 12 months after connecting the clocks to the ExecuTime software or 18 months from shipment.

Clock prices include Tyler instruction regarding clock configuration and connection to the ExecuTime software. Client is responsible for clock installation and connection to applicable network.

Development modifications, interfaces and services, where applicable, shall be invoiced to the client in the following manner: 50% of total upon authorized signature to proceed on program specifications and the remaining 50% of total upon delivery of modifications, interface and services.

RESOLUTION 2019-222

WHEREAS, the City of Grand Island does not currently utilize time clocks for payroll;
and

WHEREAS, Payroll controls were identified as a significant deficiency in the 2018 audit;
and

WHEREAS, the ExecuTime software and hardware would work towards resolving this
significant deficiency; and

WHEREAS, the system seamlessly integrates with our current software, Munis.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE
CITY OF GRAND ISLAND, NEBRASKA, that purchase of the ExecuTime Software and
related hardware is approved at a total initial cost of \$143,276.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 23, 2019.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	▣ _____
July 19, 2019	▣ City Attorney