

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES

TO: Honorable Board of Supervisors

FROM: Jerry Gamez, Director of Administrative Services *J. A.*

DATE: November 5, 2013

SUBJECT: Authorize the Award of a Three-Year Master Service Agreement to Cherry Road Corporation for Professional Services Necessary to Enhance the Functionality of the County's *PeopleSoft* Payroll & Personnel Management System.

ACTION REQUESTED

PeopleSoft (ACORN) Payroll & Personnel Management System Project:

1. Authorize the Purchasing Manager to execute a Master Services Agreement in an amount not to exceed \$2,000,000 with Cherry Road Corporation of Sacramento, CA for professional services necessary to enhance the functionality of the County's ACORN Payroll & Personnel Management System. The Master Services Agreement will be for a period of three years with an option to extend for two additional one-year periods at the discretion of the County.
2. Authorize the Purchasing Manager to execute an initial work assignment with Cherry Road Corporation, with a budgeted net County cost of \$195,869, to implement the ACORN System's Employee Self-Service Functionality.
3. Authorize the Purchasing Manager to sign all subsequent purchase orders for initiatives identified within the Master Services Agreement that have been properly budgeted and requisitioned.

BACKGROUND

In June 2004, the County of Placer implemented Oracle's *PeopleSoft* Payroll & Personnel Management System (ACORN), an Enterprise Resource Planning System class of software that is comprised of many different functions and capabilities including, but not limited to: Human Resources, Time & Labor, Payroll, Benefits, Benefits Administration, Employee Performance Management, Succession Planning, Recruiting, and Labor Management.

Currently only selected elements of the ACORN system including Human Resources, Benefits, Benefits Administration, Time and Labor, and Payroll, as well as Enterprise Learning (Training) are being utilized countywide. The ACORN system serves as the system of record for all transactions and hours/amounts/balances for human resources, benefits, time and labor, payroll-related, and training activity of the County. As such, it is a valuable asset that supports and benefits all County departments and eleven Special Districts by providing both timely and accurate labor cost and demographic data for use in fiscal planning and labor negotiations, providing employees with accurate paychecks and self-service access to timesheets including historical paycheck information, and benefits enrollment information.

Over the years this system has been jointly managed by the Auditor and Personnel Departments with oversight and guidance provided by the ACORN Executive Steering Committee, which is composed of executive management representatives from the Auditor Controller's Office, the Personnel Department, the Administrative Services Department and the County Executive Office.

During this period several major release upgrades and numerous minor release upgrades have been successfully completed. However due to limited technical and functional resources within the managing departments coupled with competing priorities to meet local, state and federal mandates, enhanced ACORN functionalities that would improve operational efficiencies for all County User Departments could not be implemented.

In December 2012, the County Executive Office requested a review of the County's ACORN information technology support structure in an effort to improve the utilization of the ACORN System. A comprehensive assessment of the County's existing information technology support structure was completed by the Administrative Services Department's Information Technology Division and presented to the County Executive Office in May 2013.

As a result of this assessment, an updated "centralized" ACORN System Support model that will improve efficiencies, reduce redundant services and facilitate the deployment of new features and system functionalities now resides within the Information Technology (IT) Division of the Administrative Services Department (Department). This team is comprised of five IT positions that specialize in Oracle's *PeopleSoft* application.

Today the Department is requesting the award of a Master Service Agreement that will be utilized to augment this team over a three-year period during the deployment of enhanced system functionalities identified by County User Departments as features necessary to improve business processes and eliminate the duplication of services currently being performed "outside" the ACORN System. The requirements for new features and functionalities were identified through an ACORN User Group Needs Survey and the establishment of a Business Requirements Workgroup.

Twenty-six requirements were identified as desired features and functionalities to enhance the County's ACORN System's Human Resource Data Tracking and Reporting functionality. The Department enlisted the assistance of the Procurement Division to solicit competitive proposals to implement and/or develop these new functionalities. The scope of work to implement and/or develop these functionalities may include custom code development and support, module configuration and usage, module demonstrations, query development, "best practice" recommendations, business process analysis, requirements gathering and analysis, on-call support, and staff training.

Request for Proposal notices were sent to 160 firms, seven firms provided proposals for evaluation and following a review of their proposals by representatives from the Personnel Department, Auditor-Controller's Office, Administrative Services - IT Division and the CEO/Organizational Development Division, three firms were recommended for interviews. Following an extensive interview process, the most qualified firm identified was Cherry Road Corporation. Staff has negotiated a mutually agreeable contract that supports our objectives for meeting these requirements.

Of the twenty-six requirements, the top six initiatives prioritized by the ACORN Executive Steering Committee are as follows:

1. Employee Self Service.
2. Driver's License Data Management.
3. Emergency Contact Information Data Management.
4. Centralized Leave of Absence Management.
5. Centralized Employee Educational Level Database.
6. Employee Professional Standards Database including licenses, certifications, registrations and continuing education requirements to maintain professional standards.

Funding for the Employee Self Service initiative has been identified and is being recommended for approval. This recommendation is consistent with the Information Technology Strategic Plan adopted by your Board on November 8, 2011. The remaining initiatives will be negotiated on a case-by-case basis as funding is identified.

Therefore, your Board's approval is required to proceed with the award of a three-year Master Services Agreement in the amount not to exceed \$2,000,000 with Cherry Road Corporation of Sacramento, CA for professional services necessary to enhance the functionality of the County's ACORN Payroll & Personnel Management System; including an option to extend for two additional one-year periods at the discretion of the County; authorizing the Purchasing Manager to execute an initial work assignment with Cherry Road Corporation, with a budgeted net County cost of \$195,869, to implement the ACORN System's Employee Self-Service Functionality; and authorizing the Purchasing Manager to sign all subsequent purchase orders for initiatives identified within the Master Services Agreement that have been properly budgeted and requisitioned.

FISCAL IMPACT

The initial work assignment resulting from this request will not exceed \$195,869 and the funds are budgeted within the Countywide Systems Fund (06240). All subsequent purchase orders for initiatives identified within the Master Services Agreement will be budgeted and requisitioned accordingly as funding is identified.

Attachment: Fiscal Impact Statement

Cc: Andrew Sisk, Auditor-Controller
Nancy Nittler, Personnel Director
Kathy Buchanan, Deputy Director of Information Technology
Melissa Nunnink, Administrative & Fiscal Operations Manager
Brett Wood, Purchasing Manager
Allison McCrossen, Senior Management Analyst
James Importante, Management Analyst II

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors

FROM: Melissa Nunnink, Administrative & Fiscal Operations Manager 

DATE: November 5, 2013

SUBJECT: Authorize the Award of a Three-Year Master Service Agreement to Cherry Road Corporation for Professional Services Necessary to Enhance the Functionality of the County's *PeopleSoft* Payroll & Personnel Management System.

Funds for the initial ACORN enhancement services are budgeted within the Countywide Systems Fund FY 2013-14 Budget (06240), with a not to exceed Net County cost \$195,869. All subsequent purchase orders for initiatives identified within the Master Services Agreement will be budgeted and requisitioned accordingly as funding is identified.