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July 21, 2014

The Honorable E. Bradley Nelson
Hall of Justice
Department 4, Room 306
600 Union Avenue
Fairfield, CA 94533

RE: 2013-2014 Grand Jury Report: Intellitime Implementation

Pursuant to Penal Code Section 933(c) and 933.05, Solano County's County Administrator's Office (CAO), Human Resources (HR), and Department of Information Technology (DoIT) are responding to the findings and recommendations in the FY 2013-2014 Grand Jury Report received on July 2, 2014 on the Intellitime Implementation that pertain to matters under the control of the respective departments. (A separate response to this report dated July 16, 2014 has been submitted by the elected Auditor-Controller)

Finding 1

The Intellitime timekeeping system cost increased from \$368,640 to \$1,047,670, an increase of 184%.

Response to Finding 1

County Administrator's Office – The CAO wholly disagrees with this finding. According to the original contract and the five subsequent contract changes approved by the Board of Supervisors and executed through the County Administrator's Office, the total cost for the Intellitime System is \$743,910 to date. There was an internal Appropriation Transfer Request (ATR) processed to reclassify the expenditure to an asset account for depreciation purposes which has been misrepresented in the Grand Jury report to reflect the total cost of the Intellitime project to be \$1,047,670.

Department of Information Technology – For purposes of clarification, in the Grand Jury's Statement of Facts, the Grand Jury mischaracterizes an Appropriation Transfer Request (ATR), approved by the Board of Supervisors on April 26, 2011, as additional funding. The ATR does not represent additional funding but only reclassifies already approved funding from an expense account to an asset account (which would be depreciated once the system was placed in service) in accordance with Government Accounting Standards Board rule #51.

The Department of Information Technology disagrees wholly with this finding. The total system cost, including all approved change orders is \$743,910. Table 1 below, which was presented as part of a staff report to the Board of Supervisors on January 28, 2014, provides a summary of the original contract, all approved changes, and categories of costs:

Table 1 – Summary of Intellitime Contract Costs

	Software Licenses and Maintenance	Training	Project Management & Systems Customization	Description/rationale for change order
Original Contract (approved by BOS 12/14/10)	\$144,524	\$55,494	\$168,622	Original Contract Document
Contract Change 1 (CAO approved change orders)			\$34,630	2 Month Extension of Contract Term
Contract Change 2 (approved by BOS 5/22/12)			\$143,330	MOU requirements discoveries, with subsequent rules configurations, systems testing, and corresponding project management
Contract Change 3 (approved by BOS 1/15/13)			\$93,360	Institute new pay cycles, pay codes, system rules and automation to accommodate the overlapping day created by the 9-80 bi-weekly work schedule so as to adhere to Federal law on weekly FLSA periods, including: Leave Requests and Overtime Requests will recognize the extra day on the timecard; The timecard upload will be modified to sum the timecard hours based on the employees FLSA period; Overtime, standby, callback and holiday rules will be reconfigured to work with a repeated day across two timecards; and, Modify the Review screen to show missing documents when pay cycles are changed and there is a date overlap.
Contract Change 4 (approved by BOS 1/28/14)			\$67,320	Rule revisions required by MOU negotiations, and final testing and validation of existing rules
Contract Change 5 (approved by BOS 1/28/14)	\$36,630			Dynamic Scheduler licensing for Sheriff, Library, Juvenile Hall, and Animal Care
TOTAL	\$181,154	\$55,494	\$507,262	Total Contract \$743,910

Recommendation 1

Sufficient personnel from each department be assigned to the implementation process on a full time basis to ensure that no further delays occur.

Response to Recommendation 1

County Administrator’s Office - The recommendation has been implemented for all departments.

Department of Information Technology

The recommendation has been implemented for the Department of Information Technology. The Department has assigned sufficient personnel to the so as not to delay the project due to technical resources.

Finding 2

There are 23 bargaining units within the County that have separate Memorandum of Understanding negotiated, each with its own unique language that unnecessarily complicates payroll.

Response to Finding 2

Department of Human Resources - The Director of Human Resources partially disagrees with the finding.

There are 25 groupings of employees, of which 19 are collective bargaining units for regular, full-time employees, 1 is a collective bargaining unit for extra help employees, and 5 are unrepresented non-unionized employees (confidential employees, legislative group, unrepresented executive management, unrepresented senior management, and unclassified employees). Of the 19 bargaining units, 5 are represented by the Service Employees International Union (SEIU) and collectively bargain together, 2 are represented by the Solano County Deputy Sheriff's Association and collectively bargaining together and 2 are represented by the Solano Probation Peace Officer Association and collectively bargain together.

Collective bargaining requires the mutual agreement between both parties (the bargaining unit representing a particular grouping of job classifications and the employer). The County has historically negotiated common terms and conditions of employment across all collective bargaining agreements; however, as the interests of individual bargaining units may not wholly align with the interests of another bargaining unit, each collective bargaining agreement will also have language that is unique to the particular bargaining unit.

Recommendation 2

Prior to and during negotiations with each bargaining unit, common definitions be determined by the Human Resources Department for each section in the Memorandum of Understanding that is common to all departments, e.g. what constitutes Family Leave, Jury Duty, Bereavement Leave, Sick Leave etc.

Response to Recommendation 2

The recommendation has been implemented as to matters common to all departments, such as those listed in the recommendation. . During the negotiation process itself, the employer and bargaining unit typically actively discuss the purpose and meaning of new terms that are proposed for inclusion into the successor collective bargaining agreement. The purpose of such active discussion is to ensure understanding between the parties, the complete enactment of the new language, and the avoidance of grievances.

While, the Director of Human Resources partially agrees with the Grand Jury's sentiment that improvements could be made, during my tenure with the County, we have been successful in implementing a standardized format and contractual language within our successor collective bargaining agreements. Additionally, the Intellitime project, as a computerized application, ensures consistent application of our collective bargaining agreement provisions.

Finding 3

There is no designated training component for this system to train all County employees.

Response to Finding 3

Department of Information Technology - The Department disagrees wholly with this finding. The Auditor-Controller has assigned staff to coordinate the scheduling the delivery of training to all departments. The contract with Intellitime includes the provision of an on-site training resource for classroom training of end-users and they also have conducted “train-the-trainer” sessions so that designated staff in the ACO and other departments can continue to train staff and provide support.

Recommendation 3

Establish schedules for the training of new County employees and refresher training for all current County employees.

Response to Recommendation 3

Department of Information Technology - This recommendation has been implemented since the beginning of the project.

Finding 4

The Intellitime timekeeping system was secured without a Request for Proposal process.

Response to Finding 4

Department of Information Technology - The Department disagrees wholly with this finding. The system was first acquired by the Sheriff’s Office through a competitive bidding process. Once the County owned the system and determined it would meet all other County requirements it was licensed for County-wide use. A second RFP was not necessary or required.

Recommendation 4

Prior to implementation of any new countywide projects, a Request for Proposal be referred out for a competitive bidding process.

Response to Recommendation 4

Department of Information Technology - This response has been implemented and has been a matter of past practice. Procurements that require a formal bidding or proposal process are outlined in the County’s Purchasing Policy Manual.

Finding 5

The Intellitime project was obtained without anticipating the different requirements of various departments in the large number of Memoranda of Understanding, all of which created unnecessary time delays and additional costs.

Response to Finding 5

County Administrator’s Office – The CAO/Office disagrees wholly with this finding as set forth in the substantive responses below provided by both the Department of Information Technology and the Director of Human Resources.

Department of Information Technology - The Department disagrees wholly with this finding. The Intellitime product was first selected for use by the Sheriff's department based upon an evaluation of fit with the MOUs existing in the department as well as its intense scheduling requirements. Subsequent to the successful implementation of the scheduling functionality for the Sheriff, the County contracted with Intellitime in March 2010, to perform a pilot test of the system with other departments to determine fit with other MOUs and system requirements. The pilot group included 10 typical MOUs across four departments. Based upon successfully meeting the business requirements of the County, a contract was approved by the Board January 2011, for Intellitime to implement the system for County-wide use. The first phase of the County-wide implementation was a "discovery" phase that included the review of: all bargaining agreements not addressed in the pilot; written timekeeping policies; procedure manuals; workflow and approval processes; work schedules and shift policies; and system interfaces. All of these documents were reviewed against the capabilities and functionality of Intellitime and staff determined there were no significant gaps in Intellitime so the project continued to subsequent phases. Delays in implementation were not due to a lack of understanding of requirements. The most significant cause of delays in the project did not relate to Intellitime's ability to meet County requirement but instead were issues with policies and practices, such as: past practices were discovered that did not agree with MOU language; issues over multiple interpretations of MOU language; 9-80 work schedules in relation to FLSA periods was reinterpreted mid-way through the project; and changes to pay rules related to new or renegotiated MOUs.

Department of Human Resources – The Department of Human Resources partially disagrees with the finding. What was not anticipated was the number of instances where departments applied collective bargaining agreement provisions differently across the county, or the number of provisions which were interpreted differently by departments than what the Human Resources Department and/or Auditor-Controller's Office believed the interpretation to be. Reviewing practices that may have existed against the terms of the collective bargaining agreement(s) and engaging in any legally-required meeting and conferring with the impacted unions has added additional time to the project. Rewriting the Intellitime "rules" following discovery of these differences also added time. I would not, however, characterize it as "unnecessary time delays" as the outcomes of this automation project include the standardization of interpretations and applications of collective bargaining agreement provisions.

Recommendation 5

Ensure that all departments are surveyed to determine their specific needs prior to implementing any future countywide projects

Response to Recommendation 5

County Administrator's Office – This recommendation has been implemented and has been a matter of past practice in the County: departments are surveyed and provided opportunities to participate in the planning, development and implementation of countywide projects.

Department of Information Technology - This recommendation has been implemented and has been a matter of past practice.

Department of Human Resources - This recommendation is not warranted because it is already part of the County's culture and past practice. It is the Director of Human Resources' experience that departments are surveyed and provided opportunities to participate in the planning, development and/or implementation stages of new countywide projects.

Finding 6

Future program maintenance by Intellitime Systems Corporation is funded through September 30, 2014.

Response to Finding 6

County Administrator's Office – The CAO agrees with this finding.

Department of Information Technology - The Department agrees partially with the finding. The County's Agreement with Intellitime for providing project implementation support and training extends through September 30, 2014. Program maintenance is included in the annual software support agreement. The next renewal of the County's annual software maintenance contract for Intellitime is on January 1, 2015.

Recommendation 6

Steps be taken to determine if the County can save future funding by revising the contract with Intellitime Systems Corporation that states, *execute ongoing maintenance contracts for the duration this software is in use by the County*, and assigning members of the Solano County Department of Information Technology to be responsible for future maintenance versus external contractors.

Response to Recommendation 6

County Administrator's Office – The CAO does believe this recommendation is warranted as the County's Department of Information Technology is not in the business of developing software, rather its function is to manage the County's network of computers and connectivity and ensure the licensed third party software is delivered to end users, the County employees who require access to such systems.

Department of Information Technology - This recommendation will not be implemented because it is not warranted. The County decided to license a third party product rather than develop its own time and attendance system so as to take advantage of the capabilities of a packaged software product that benefits from ongoing updating and improvements capabilities to accommodate multiple customers (similar to the County's use of third party products for Financial Accounting and HR/Payroll processing). The Department believes maintaining the contract on its own would be expensive and counter-productive.

Finding 7

Human Resources failed to provide the necessary personnel to accomplish the task of interpreting the definitions of the various rules within the established time frame.

Response to Finding 7

Department of Human Resources - The Director of Human Resources disagrees wholly with this finding. Since the onset of the Intellitime project the Human Resources Department allocated sufficient and dedicated resources. The Assistant Human Resources Director was assigned to this project at the onset until her retirement in August 2012. Additionally, at the project's onset, the Human Resources Department assigned different Human Resources Analysts specific Intellitime-related tasks. The assignment to Human Resources Analysts was substituted by assignment to the Benefits and Fiscal Manager. The Benefits and Fiscal Manager continues her assignment to the project.

Recommendation 7

Provide the Intellitime Systems Maintenance Task Force a dedicated individual to interpret the rule changes as the result of future MOU negotiations.

Response to Recommendation 7

Department of Human Resources - The recommendation is not warranted because it is already part of the Human Resources Department's normal interface with the Auditor-Controller's Department.

Respectfully submitted,


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County Administrator


Ira J. Rosenthal
Director of Information Technology


Marc A. Fox
Director of Human
Resources

cc: Grand Jury
Board of Supervisors
Dennis Bunting, County Counsel
Simona Padilla-Scholtens, Auditor-Controller
Michelle Heppner, Legislative, Intergovernmental, and Public Affairs Officer