



Schweizer, Nadia <nadia.schweizer@pittsburghpa.gov>

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## Fwd: Role of City Council\_Payroll Contract Change\_new time collection hardware/software and JDE ERP consulting services

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Hill, Judy <judy.hill@pittsburghpa.gov>  
 To: Nadia Schweizer <nadia.schweizer@pittsburghpa.gov>

Mon, Jun 25, 2012 at 12:09 PM

Nadia  
 Please print all.....  
 thanks  
 Judy

**Judy Hill Finegan**  
 Director  
 Personnel & Civil Service Commission  
 City of Pittsburgh  
 (v) 412.255.2717  
 (f) 412.255.4736  
 judy.hill@pittsburghpa.gov **NEW EMAIL ADDRESS!!!!**

----- Forwarded message -----

From: **Half, Chuck** <chuck.half@pittsburghpa.gov>  
 Date: Mon, Jun 25, 2012 at 12:03 PM  
 Subject: Role of City Council\_Payroll Contract Change\_new time collection hardware/software and JDE ERP consulting services  
 To: Nick Lyons <nick.lyons@pittsburghpa.gov>, Douglas Anderson <douglas.anderson@pittsburghpa.gov>, Judy Hill <judy.hill@pittsburghpa.gov>  
 Cc: Yarone Zober <yarone.zober@pittsburghpa.gov>, Gabe Mazefsky <gabe.mazefsky@pittsburghpa.gov>, Scott Kunka <scott.kunka@pittsburghpa.gov>, Michael Lamb <michael.lamb@pittsburghpa.gov>, Duane Ashley <duane.ashley@pittsburghpa.gov>

Nick, Doug, and Judy -

Now that we are working out the final commercial and project scope details for Payroll, I have prepared three (3) DRAFT documents. I do not know if we "need" to go to City Council, but I would like us to inform them. Will we be asking for \$\$\$, or just contract approvals? Two major components, but Denovo is the prime contractor for implementation ensuring management responsibility that Kronos hardware/software purchased by the City works as a single Payroll System.

- Configuring/programming/going-live, one-time, with our already owned JDE ERP software (\$300,000 to Denovo) by expanding a County contract with Denovo. The County has been invoicing the City directly, when appropriate, for Denovo services separate from our shared JDE ERP SSO operations agreement.
- Using an existing Commonwealth/County contract with Immix Technology for acquiring, one-time, new time collection software and devices (\$550,000 to Kronos).
- Annual Maintenance & Support costs (\$60,000 to Immix Technology) for Kronos hardware/software is a new recurring cost.

6/25/12

City of Pittsburgh Mail - Fwd: Role of City Council\_Payroll Contract Change\_new time collection hardwa...

- Bi-Weekly Check Printing & W-2 Production Services (Allegheny County for \$300,000) is a replacement for Ceridian and reduced line item cost in our budget.
- Monthly Check Printing & Pension Tax Form Production Services has been \$90,000 "cost recovery" income to the City from the Municipal, Fire, and Police Pension Funds administrative fees.

What do we need to do to contract with Denovo and Kronos by July 3rd at the latest?

**Chuck Half**

City Innovation & Performance Manager - PittMAPS

Office of Mayor Luke Ravenstahl

*Pittsburgh Innovation – change that creates a new dimension of performance.*

*City departments offer transparency into their operational data at <http://www.pittsburghpa.gov/pittmaps/mfr.htm>*

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### 3 attachments



2012 Draft\_Payroll\_Summary.doc

537K



2012 Draft\_Payroll\_Mayor's Ltr.doc

24K



2012 Draft\_Payroll\_Resolution.doc

28K

June , 2012

The Honorable President  
and Members of City Council  
510 City-County Building  
Pittsburgh, PA 15219

Dear President and Members of Council:

Enclosed for your review is a Resolution authorizing the City's Management & Budget Department to replace the current Ceridian outsourced payroll solution with JD Edwards ERP Payroll and automated time collection systems for the City's 3,300 employees, and the Pension payments for approximately 10,000 former Municipal, Fire, and Police employees. The desired Go-Live date is January 1, 2013.

Your favorable consideration is hereby appreciated.

Sincerely,

Luke Ravenstahl  
Mayor, City of Pittsburgh

No. ....

## RESOLUTION

Authorizing the City's Management and Budget Department to replace the current Ceridian outsourced payroll solution with JD Edwards ERP Payroll and automated time collection systems for the City's 3,300 employees and the Pension payments for approximately 10,000 former Municipal, Fire, and Police employees.

**Be it resolved by the Council of the City of Pittsburgh as follows:**

**WHEREAS**, the City of Pittsburgh wants to replace the current Ceridian outsourced payroll solution with JD Edwards ERP Payroll and automated time collection systems for the City's 3,300 employees and the Pension payments for approximately 10,000 former Municipal, Fire, and Police employees to:

- o save the taxpayer money by bringing the work into the City's new JDE ERP financial management system and collaborating with Allegheny County for the print production of checks and W-2s
- o standardize and redefine, under the leadership of the City's timekeepers, their respective departmental efficiency with activities associated with payroll preparation and validation
- o reduce the City's heavy dependency upon paper-based time keeping processes by transitioning to using Kronos' electronic workforce timekeeper and leave, accruals, employee management system
- o leverage the experience of Allegheny County using Kronos' automated time collection systems
- o leverage the experience of Denovo implementing JDE ERP modules at the City and County
- o more than double the time lag from 3-4 days to 6-10 days for the 43 staff responsible for timekeeping activities to ensure information accuracy
- o replace the current hand-posting of Ceridian summary information to automatically integrate bi-weekly payroll data into the JDE ERP General Ledger
- o capture within JDE ERP the timekeepers' detail and payroll codes data for reporting out and analysis capability at the department, division, and work activity level.

*Section 1.*

Authorizing the City's Management and Budget Department to replace the current Ceridian outsourced payroll solution with JD Edwards ERP Payroll and automated time collection systems for the City's 3,300 employees and the Pension payments for approximately 10,000 former Municipal, Fire, and Police employees.

## Summary of Proposed Legislation

<b>Bill # / Title</b>	To replace the current Ceridian outsourced payroll solution with JD Edwards ERP Payroll and automated time collection systems for the City's 3,300 employees and the Pension payments for approximately 10,000 former Municipal, Fire, and Police employees.
<b>Department:</b>	City's Management and Budget Department
<b>Contact Person:</b>	Personnel: Judy Hill-Finegan

<i>Ordinance</i>	<i>Contract Authorization</i>	<i>Capital Budget Amendment</i>	<i>Capital Encumbrance</i>	<i>Proclamation</i>	<i>Other</i>
					X

**DESCRIPTION/PURPOSE:**

Authorizing the City's Management and Budget Department to replace the current Ceridian outsourced payroll solution with JD Edwards ERP Payroll and automated time collection systems for the City's 3,300 employees and the Pension payments for approximately 10,000 former Municipal, Fire, and Police employees to:

- save the taxpayer money by bringing the work into the City's new JDE ERP financial management system and collaborating with Allegheny County for the print production of checks and W-2s
- standardize and redefine, under the leadership of the City's timekeepers, their respective departmental efficiency with activities associated with payroll preparation and validation
- reduce the City's heavy dependency upon paper-based time keeping processes by transitioning to using Kronos' electronic workforce timekeeper and leave, accruals, employee management system
- leverage the experience of Allegheny County using Kronos' automated time collection systems
- leverage the experience of Denovo implementing JDE ERP modules at the City and County
- more than double the time lag from 3-4 days to 6-10 days before the payroll prep deadline for the 43 staff responsible for timekeeping activities to ensure information accuracy
- replace the current hand-posting of Ceridian summary information to automatically integrate bi-weekly payroll data into the JDE ERP General Ledger
- capture within JDE ERP the timekeepers' detail and payroll codes data for reporting out and analysis capability at the department, division, and work activity level.

**HISTORY:**

- The City has been extending on a year-to-year basis its Payroll contract with Ceridian for the City's 3,300 employees and the Pension payments for approximately 10,000 former Municipal, Fire, and Police employees.
- In January 2012, the City was able to Go-Live with a new comprehensive financial system, JD Edwards ERP in collaboration with internal staff at Allegheny County and consultants from Denovo.
- The County has been using the JDE ERP Payroll applications since 2009 and in-house print production for all checks and W-2s.
- The County payroll is prepared and printed bi-weekly, but in alternate weeks to the City's payroll schedule.
- Approximately 80% of the time keeping data for the County's 7,000 employees is electronically collected using general purpose Kronos, or specialized departmental, systems. Other than EMS and Fire employees, the City is entirely dependent upon paper-based time keeping processes.

- At present, the Ceridian system does not allow for reporting out and analysis capability at the department, division, and work activity level using the detail and payroll codes information that is entered every two weeks.
- At present, the time lag is only 3-4 days for the 43 staff responsible for timekeeping activities to ensure information accuracy before hitting the "payroll preparation submission deadline" of Ceridian. Bringing the payroll application in-house and printing process in-County will immediately double the time interval to ensure information accuracy.

**BUDGETARY IMPACT:**

The impact on the expense side of the city budget will be a \$350,000 reduction every year. However, the positive operational impact to governing more efficiently by reducing paper work, reducing data entry errors, improving payroll efficiency as redefined by the timekeepers in the field, and increasing payroll reporting out and analysis capability at the department, division, and work activity level is priceless.

**ATTACHMENTS AND/OR EXHIBITS:**



**PRICING ESTIMATES**  
Denovo is pleased to provide the following pricing estimates, which are based on our stated scope of work and assumptions:

Project Stages	Consultants	Notes	ESTIMATED PRICE				Total Hours	Months																		
			Consult.	Trips	Travel	Total		Jul	Aug	Sep	Oct	Nov	Dec	Jan												
<b>EnterpriseOne Payroll Implementation:</b>																										
<b>PROJECT MANAGEMENT</b>																										
	QA/QC Manager		\$7,130	1	\$1,240	\$8,370	46	12	6	6	6	6	6	6	4											
	Project Manager		\$46,500	6	\$7,440	\$53,940	300	56	44	44	44	44	44	44	24											
<b>IMPLEMENTATION DEFINITION/DISCOVERY/DESIGN</b>																										
	HCM Lead		\$25,420	4	\$4,960	\$30,380	164	124	40																	
<b>CONFIGURATION AND TESTING</b>																										
	HCM Lead		\$65,720	13	\$16,120	\$81,840	424		124	148	120	32														
<b>DATA CONVERSION</b>																										
	HCM Lead	1	\$2,480		\$0	\$2,480	16			8	8															
	Sr. Developer		\$12,000		\$0	\$12,000	120			80	40															
<b>INTERFACES</b>																										
	HCM Lead	2	\$3,720	1	\$1,240	\$4,960	24			8	8	8														
	Sr. Developer		\$16,000	1	\$1,240	\$17,240	160			40	80	40														
<b>REPORTING</b>																										
	HCM Lead	3	\$2,480		\$0	\$2,480	16				8	8														
	Sr. Developer		\$12,000	1	\$1,240	\$13,240	120				40	80														
<b>PRODUCTION CUTOVER</b>																										
	HCM Lead		\$28,520	3	\$3,720	\$32,240	184						36	84	64											
<b>TRAINING</b>																										
	HCM Lead		\$30,380	2	\$2,480	\$32,860	196				20	80	80	16												
<b>TOTALS BY PROJECT STAGE</b>			<b>\$252,350</b>	<b>32</b>	<b>\$39,680</b>	<b>\$292,030</b>	<b>1770</b>	<b>192</b>	<b>214</b>	<b>334</b>	<b>374</b>	<b>334</b>	<b>214</b>	<b>108</b>												

TOTALS BY CONSULTANT	Consultants	Rates	ESTIMATED TOTALS				Total Hours	Months											
			Consult.	Trips	Travel	Total		Jul	Aug	Sep	Oct	Nov	Dec	Jan					
Consultant Labor & Travel	QA/QC Manager	\$183	\$7,130	1	\$1,240	\$8,370	46	12	6	6	6	6	6	6	4				
	Project Manager	\$183	\$46,500	6	\$7,440	\$53,940	300	56	44	44	44	44	44	24					
	HCM Lead	\$183	\$158,720	23	\$28,520	\$187,240	1,024	124	164	164	164	164	164	80					
	Sr. Developer	\$100	\$40,000	2	\$2,480	\$42,480	400	0	0	120	160	120	0	0					
<b>TOTALS BY CONSULTANT</b>			<b>\$252,350</b>	<b>32</b>	<b>\$39,680</b>	<b>\$292,030</b>	<b>1770</b>	<b>192</b>	<b>214</b>	<b>334</b>	<b>374</b>	<b>334</b>	<b>214</b>	<b>108</b>					

City of Pittsburgh – JD Edwards EnterpriseOne Payroll Implementation

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Chuck Half  
 City of Pittsburgh  
 PH: 000-000-0000  
 chuck.half@pittsburghpa.gov

Contract No.: GS-35F-0265X  
 CAGE Code: 3CA29  
 DUNS No.: 09-869-2374  
 TAX ID#: 54-1912608  
 Terms: NET 30  
 FOB: Destination

Quote Number: QUO-299233-N0Y4Q2  
 Quote Date: 6/20/2012  
 Expiration Date: 7/20/2012

Order/Payment Address:  
 immixTechnology, Inc.  
 8444 Westpark Drive, Suite 200  
 McLean, VA 22102  
 PH: 703-752-0610 FX: 703-752-0613  
 EFT: BB&T  
 Routing No. 055003308

immixTechnology, Inc. Witt, Lynn  
 Contact: 703-663-1920  
 ltwitt@immixgroup.com

Manufacturer Quote #: 295087 - 1  
 Manufacturer Ref #:

Manufacturer Contact: Beacham, Tina  
 724-742-3118  
 tbeacham@kronos.com

PLEASE REFERENCE THIS QUOTE NUMBER ON ALL PURCHASE ORDERS ISSUED AGAINST THIS QUOTE

Part Number 8100115-001 ESD SW KIT,WFC SUITE V6.3 is included in this order at no charge. Quantity: 1

Part Number 8609001-001 NORTH AMERICA POWER KIT FOR MOUNT OVER OUTLET, INTOUCH STD is included in this order at no charge. Quantity: 1

Item	Part Number	Contract	Trans Type	Product Description	Qty	Price	Extended Price
1	8800079-000	GS-35F-0265X	LIC	Workforce Timekeeper v6 - per employee	3300	\$27.0000	\$89,100.00
2	8800079-000GM	GS-35F-0265X	MNT	Gold Maintenance for Workforce Timekeeper v6 - per employee	3300	\$5.9400	\$19,602.00
3	8800082-000	GS-35F-0265X	LIC	Managers for Workforce Central v6 - per Mgr	100	\$210.0000	\$21,000.00
4	8800082-000GM	GS-35F-0265X	MNT	Gold Maintenance for Managers for Workforce Central v6 - per Mgr	100	\$46.2000	\$4,620.00
5	8800081-000	GS-35F-0265X	LIC	Workforce Employee v6 - per employee	3300	\$14.7000	\$48,510.00
6	8800081-000GM	GS-35F-0265X	MNT	Gold Maintenance for Workforce Employee v6 - per employee	3300	\$3.2400	\$10,692.00
7	8800129-000	GS-35F-0265X	LIC	Workforce Absence Manager V6 - per license	3300	\$23.0000	\$75,900.00
8	8800129-000GM	GS-35F-0265X	MNT	Gold Maintenance for Workforce Absence Manager V6 - per license	3300	\$5.0600	\$16,698.00
9	8800131-000	GS-35F-0265X	LIC	Workforce Integration Manager V6 - per Employee	3300	\$6.4000	\$21,120.00
10	8800131-000GM	GS-35F-0265X	MNT	Gold Maintenance for Workforce Integration Manager V6 - per Employee	3300	\$1.4100	\$4,653.00
<b>Group Total:</b>							<b>\$311,895.00</b>

Item	Part Number	Contract	Trans Type	Product Description	Qty	Price	Extended Price
11	8609000-001	GS-35F-0265X	HW	Kronos InTouch, Standard Enclosure, with Bar Code Badge Reader	1	\$2,300.0000	\$2,300.00
12	99X9000-001	GS-35F-0265X	HW MNT	Depot Exchange for Kronos InTouch, Standard Enclosure, with Bar Code Badge Reader	1	\$231.5200	\$231.52
13	8609020-001	GS-35F-0265X	HW	Kronos Touch ID Biometric Verification/Identification Option	1	\$600.0000	\$600.00
14	99X9020-001	GS-35F-0265X	HW MNT	Depot Exchange for Kronos Touch ID Biometric Verification/Identification Option	1	\$97.4800	\$97.48
<b>Group Total:</b>							<b>\$3,229.00</b>
15	9990002-ENT-PM	GS-35F-0265X	SVC	Momentum Enterprise - Project Manager (per hour)	164	\$199.5000	\$32,718.00
16	9990002-ENT-AC	GS-35F-0265X	SVC	Momentum Enterprise - Application Consultant (per hour)	384	\$190.2300	\$73,048.32
17	9990002-ENT-AC	GS-35F-0265X	SVC	Momentum Enterprise - Application Consultant (per hour) - Solution Consultant	132	\$190.2300	\$25,110.36
18	9990002-ENT-TC	GS-35F-0265X	SVC	Momentum Enterprise - Technical Consultant (per hour)	72	\$225.7500	\$16,254.00
19	9999122-0	GS-35F-0265X	TR	Education Needs Assessment - Education Consultant (per hour)	8	\$180.8600	\$1,446.88
20	9990011-CON	GS-35F-0265X	SVC	Change Management Consulting - Management Consultant (per hour)	48	\$181.7600	\$8,724.48
21	BAYG-TRAINPTS	GS-35F-0265X	TR	Bill As You Go - Training Points: Generic Training Points to be used for any training class. Bill as you go Training Points (invoiced upon delivery or attendance)	36400	\$0.8400	\$30,576.00
22	ED-SUBSCRIPTION - 2501-5000	GS-35F-0265X	LIC	KnowledgePass Ed Services Subscription 2501-5000	1	\$6,061.9000	\$6,061.90
23	TRAVEL	OPENMARKET-IM	TRAVEL	Travel and Living Expenses, Billed as incurred per the JTR. All Travel receipts must be submitted upon invoicing.	1	\$4,000.0000	\$4,000.00
<b>Group Total:</b>							<b>\$197,939.94</b>

<b>HARDWARE</b>	<b>\$2,900.00</b>
<b>HARDWARE MAINTENANCE</b>	<b>\$329.00</b>
<b>LICENSE</b>	<b>\$261,691.90</b>
<b>SW MAINTENANCE</b>	<b>\$56,265.00</b>
<b>SERVICES</b>	<b>\$155,855.16</b>
<b>TRAINING</b>	<b>\$32,022.88</b>
<b>TRAVEL</b>	<b>\$4,000.00</b>
<b>Grand Total</b>	<b>\$513,063.94</b>

DRAFT