

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: October 6, 2025

Topic:

Workshop Discussion Only – Approve an agreement with Paycom for a Human Resources Information System (software) for an annual subscription amount of \$134,969.31 of the total contract amount of \$375,731.31 (RFP No. 2025-14), approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchase. This expenditure is included in the Fiscal Year 2025-2026 budget.

Background:

During the fiscal year 2024-2025, HR and Finance staff identified a need for a new Human Resources Information System (HRIS) with integrated payroll capabilities, aimed at streamlining HR operations and enhancing payroll functionality. Current HR and payroll processes are supported by a combination of outdated software systems, manual data entry, and paper-based workflows. These fragmented processes result in inefficiencies and limited reporting capabilities. A modern Human Resources Information System (HRIS) will provide the City with an all-encompassing, centralized platform to manage employee information, recruitment, onboarding, payroll, benefits administration, performance evaluations, and training records.

This proposed system will increase efficiency, reduce administrative errors, improve employee self-service options, and strengthen data security. Staff developed a scope of work to ensure that all objectives and priorities of staff would be addressed from submitting proposers. In order to obtain the most favorable pricing and desired level of service, staff sought Requests for Proposals. Staff received six (6) sealed proposals from qualified firms. Scoring was completed by a committee to determine the most qualified firm to complete the work. Following scoring, interviews were conducted with the top three scoring firms with the final two firms returning for in-person demonstrations with staff.

Staff entered into contract negotiations with Paycom to provide the required system. Staff is recommending awarding an agreement to Paycom for the HRIS system for an annual subscription amount of \$134,969.31 for year one of the total contract amount of \$375,731.31. A complete breakdown of the annual cost over the three-year period is reflected in the chart below. These annual costs will be offset by the discontinuation of use of existing onboarding, benefits management, and timekeeping software programs, generating a savings of approximately \$49,000 annually after successful implementation of the Paycom system.

Year	HRIS Annual Cost
Year 1	\$134,969.31*
Year 2	\$118,021.00*
Year 3	\$122,741.00*
Total Contract: \$375,731.31*	

*Annual Cost and Total Contract Cost are estimated based on the current budgeted number of employees as of 10/1/2024

Origination: Project Management

Recommendation:

Staff recommends approving an agreement with Paycom for a Human Resources Information System for an annual subscription amount of \$134,969.31 of the total contact amount of \$375,731.31.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #100-117-6320

If no, funds will be transferred from account # _____ To account # _____

Signed	<u>Meagan Mageo</u>	Approved by	_____
	Staff Member		City Manager
	Date		Date