



AFFILIATED WITH UNIVERSITY OF CALIFORNIA SCHOOLS  
OF MEDICINE AT LOS ANGELES AND IRVINE

December 1, 2009

Board of Supervisors  
Kern County Administrative Center  
1115 Truxtun Avenue  
Bakersfield, CA 93301

**PROPOSED AGREEMENT FOR PROFESSIONAL SERVICES WITH JB DEVELOPERS, INC.,  
AN INDEPENDENT CONTRACTOR**

Fiscal impact: \$ 273,590 (\$211,390 FY 2009-2010);  
KMC Enterprise Fund; Budgeted; Discretionary

Kern Medical Center (KMC) requests your Board approve an Agreement for Professional Services with JB Developers, Inc. (JBDEV), for a comprehensive automated employee time and attendance tracking system. The proposed Agreement with JBDEV is the result of a Request for Proposal (RFP) that was issued by KMC on November 12, 2008.

**Background**

In order to provide a more efficient and accurate reflection of actual time worked by KMC employees, the hospital must have an automated and comprehensive employee time and attendance tracking system. Currently and historically, KMC employees have recorded working and other accrued hours for payroll purposes on paper timesheets. This manual process used for approximately 1,800 employees requires KMC payroll staff to manually calculate and enter data into the County payroll system. This manual process is lacking in efficiencies and lends room for human error. Also of note, KMC has employees arriving and departing work at various hours, including weekends and holidays, and the hospital lacks a method to record and memorialize employee rest and meal breaks taken. KMC is a 24/7 facility where it is often not practical to have management oversight for the arrival and departure of all employees, further justifying the need for an automated tracking system.

The acquisition and implementation of an automated time and attendance tracking system complies with findings and recommendations of the FY 2006-2007 and FY 2007-2008 payroll audits conducted by the Auditor-Controller-County Clerk's office.

**Request for Proposal Process**

KMC, in conjunction with the County Purchasing Division and Information Technology Services, developed a RFP for an automated employee time and attendance tracking system that was issued on November 12, 2008. KMC received seven responses to the RFP, including the one from JBDEV. A RFP evaluation committee comprised of employees from various County departments including KMC, Information Technology Services (ITS), and the Auditor-Controller-County Clerk's office was appointed to evaluate the proposals. The evaluation committee carefully evaluated each proposal on its own merits. The criteria used to evaluate the proposals included the following:

- Technical congruence of the vendor's systems with existing KMC Information Systems interface and the needs of KMC

- Understanding of the RFP requirements and the desired end result
- Proposed approach to tasks
- Experience with similar projects
- Cost
- Estimated completion date(s)
- Client references
- Qualifications of staff for the project
- Any other factors the evaluation committee deemed relevant

Upon completion of the evaluation process, the evaluation committee unanimously recommended to the Chief Executive Officer of KMC that an agreement for the automated employee time and attendance tracking system be awarded to JBDEV. Upon notification of the awarding of this RFP, no appeals were received. The award was made in part on the following:

- All criteria met related to cost
- Product simplicity and user friendly format including biometric (fingerprint) reader
- Proposal was all-inclusive and did not have any unknown costs or costly upgrades and consultant fees for basic consultation and troubleshooting
- Positive references from current clients. Of note, no current clients have left JBDEV for one of their competitors
- JBDEV works only with healthcare institutions and its origins remains within hospitals
- California-based corporation
- System employs biometric (fingerprint recognition) technology, which will alleviate the risk of "buddy punching"
- Capabilities to tie into our existing systems including our productivity management and scheduling system. The system has the ability to produce reports and provide an accurate accounting of employees' actual time worked, including arrival and departure times to work, rest periods and meal periods.

### **Key Agreement Terms**

The Agreement is for a term of three years, from December 1, 2009 through November 30, 2012. JBDEV will be compensated as follows:

- A license and installation fee in an amount not to exceed \$183,790,
- A monthly software maintenance fee of \$1,800 per month for a total not to exceed amount of \$64,800 for the three-year term of the Agreement.
- The County agrees to purchase 2,000 proxy cards at a cost not to exceed \$25,000. Additional proxy cards will be purchased at a discounted rate.
- The use of the equipment and operating programs will be under the County's exclusive management and control. The County will be responsible for assuring the proper use, management and supervision of the equipment and operating programs, audit controls, operating methods and office procedures for establishing all proper checkpoints and procedures necessary for the County's intended use of the equipment and the security of the data stored therein.

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### **Benefits of Time/Attendance Tracking System**

The system recommended will provide a dual clocking system of biometrics and proxy card for recording of time and attendance. The system has a very high level of integrity and will be extremely accurate. Further, fingerprint recognition provides the hospital with the capability to address concerns of timecard abuse and fraud easily and objectively.

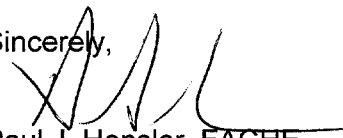
It is projected that the acquisition and use of this system will result in annual savings of approximately \$62,000. These savings include reduction of paper costs for time sheets and labor savings through automation of a process that is manual intensive. It has also been demonstrated in other institutions that the use of an automated time and attendance tracking system reduces overtime usage from 1 percent to 3 percent. Based on KMC's annual overtime expenditures of approximately \$7.4 million, we conservatively feel that this system will save the hospital at least \$75,000 annually in overtime expenditures.

Funding for this system was included in KMC's FY 2009-2010 adopted budget.

The Agreement has been approved as to form by the Office of County Counsel. The County Administrative Office has reviewed the request and concurs with the recommendation.

Therefore, IT IS RECOMMENDED that your Board approve the Agreement for Professional Services with JB Developers, Inc., for an automated employee time and attendance tracking system, from December 1, 2009 through November 30, 2012, in an amount not to exceed \$273,590, and authorize the Chairman to sign.

Sincerely,



Paul J. Hensler, FACHE  
Chief Executive Officer

PJH:FAP:pm

cc: Ann Barnett, Auditor-Controller-County Clerk  
Bill Fawns, County/KMC ITS Director  
Clare Barron, Sr. Deputy CAO