

Section II – Items for Executive Committee Action

TO: Chair and Members of the Executive Committee
Friday, February 3, 2023 Meeting

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **HUMAN RESOURCES AND PAYROLL INFORMATION SYSTEM - CONTRACT EXTENSION**
Extension of contract #10007362 to May 31, 2028

KEY ISSUE

Request to extend existing contract for Toronto and Region Conservation Authority's (TRCA) Human Resources Information System (HRIS) for HR and Payroll systems and information services and ongoing HRIS support.

RECOMMENDATION:

WHEREAS TRCA requires a HRIS and continued systems support;

AND WHEREAS TRCA solicited proposals through a publicly advertised process in 2018 and evaluated the proposals based on the criteria outlined in RFP#:10007632;

AND WHEREAS Ceridian HCM Inc. was the successful highest ranked proponent;

AND WHEREAS staff are satisfied with the services provided to date under the current contract;

THEREFORE, LET IT BE RESOLVED THAT TRCA staff be directed to exercise their contractual right to extend the arrangement with Ceridian HCM Inc. up to an additional five (5) years, to May 31, 2028, at a total cost not to exceed \$1,450,000 plus applicable taxes;

THAT TRCA staff be authorized to approve additional expenditures to a maximum of 15% of the contract cost as a contingency allowance if deemed necessary;

AND FURTHER THAT authorized TRCA officials be directed to take whatever action may be required to implement the contract, including the obtaining of necessary approvals and the signing and execution of any documents.

BACKGROUND

TRCA requires a HRIS for payroll and HR services to conduct ongoing business operations. Human Resources and Finance are responsible for the administration, reporting, management and oversight of all matters related to the employment of all TRCA employees. These responsibilities include recruitment, job postings, interviews, onboarding, compensation, performance, payroll processing, pension and benefits administration, time, and attendance, and learning and development.

At Authority Meeting #3/18, Friday, April 20, 2018, Resolution #A42/18 was approved awarding the contract (#100007362) to Ceridian HCM Inc. for a period of 5 years. Ceridian HCM Inc. were the only proponent able to offer a fully integrated software solution for all functions identified in the scope of work.

RATIONALE

The approved five-year period for Contract #100007362 will expire in May 2023, and Finance and Human Resources staff recommend extending this Contract with Ceridian HCM Inc. up to an additional five (5) year term, ending May 31, 2028. The value and quality of services delivered by the vendors has been deemed satisfactory and meets TRCA Human Resources and Payroll business requirements.

The contract extension will provide TRCA with HRIS services and support to continue end-user Human Resources and Payroll services technology without disruption to operations. In addition, without a contract in place, as Ceridian HCM Inc.'s products evolve and become more complex and more flexible, the per employee per month rate will increase. By signing a renewal contract, any increases will be limited to annual inflation only.

As part of TRCA's IT Strategy and Workplan, a review of the existing Enterprise Resource Planning (ERP) system is planned to start in 2023. The review will assess current systems against business requirements, in support of the continued effort to integrate TRCA systems. This work includes exploring the integration of our HRIS. The contract extension will provide sufficient time to complete this review, make the proper assessments and implement any new systems if required.

Relationship to TRCA's 2022-2034 Strategic Plan

This report supports the following Pillars and Outcomes set forth in TRCA's 2023-2034 Strategic Plan:

Pillar 4 Service Excellence:

4.2 Provide and manage an efficient and adaptable organization

Pillar 4 Service Excellence:

4.4 Transparent decision making and accountable results

FINANCIAL DETAILS

There is a positive financial impact by exercising TRCA's contractual right to extend the contract for an additional five years. In doing so, this will substantially reduce staff time and administrative costs associated with conducting a new procurement process and potential implementation of a new HRIS. The extension also allows TRCA to leverage the investments that have been made building out the existing system to meet the organization's needs.

The cost of the proposed five-year contract is \$1,450,000 plus 15% contingency, plus HST. This contract cost consists of annual costs of \$268,067 plus HST starting in 2023. The contract cost is estimated based on the total 2022 employee headcount and is scalable, taking into consideration the fluctuating employee headcount at each pay period, and employee access to the various software components. The annual costs will be adjusted each subsequent year by the annual inflation rate.

Item 9.4

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