

**CITY OF OAKLAND**  
**AGENDA REPORT**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2011 FEB 24 AM 11:30

Office of the City Administrator  
**ATTN:** Dan Lindheim  
**FROM:** Department of Human Resources Management  
**DATE:** March 8, 2011  
**RE:** Resolution Waiving Advertising, Bidding and the Request for Proposals/Qualifications Requirements and Authorizing the City Administrator to Increase the Contract with NEOGOV, Inc. to Purchase a Web-Based Recruitment and Job Application Product Upgrade and Technical Implementation Services Under a One-Year Subscription in an Amount Not-To-Exceed Twenty-Nine Thousand One Hundred and Ninety-Five Dollars (\$29,195) for the Period March 15, 2011 to March 14, 2012

---

**SUMMARY**

Staff has prepared a resolution waiving the competitive bidding process and requesting authorization to execute a contract addendum with NEOGOV, Inc. to provide a one-year subscription for a web-based recruitment and job application product, and to provide technical implementation services at a total cost of twenty-nine thousand one hundred and ninety-five dollars (\$29,195) for the period March 15, 2011 to March 14, 2012. Staff recommends adoption of the proposed contract as a means of updating the City's recruitment and online job application processes. To do so would increase efficiency and transparency in those processes by creating one centralized data collection and reporting system.

**FISCAL IMPACT**

Total cost to provide a one-year subscription for a web-based recruitment and job application product, and to provide professional services for implementation, is twenty-nine thousand one hundred and ninety-five dollars (\$29,195). Funds for the contract are available currently in the General Purpose Fund (1010), Recruitment and Classification Organization (05211), Miscellaneous Services Account (53719), Human Resources Program (IP61). In its departmental budget proposal for fiscal years 2011/2012 and 2012/2013, the Department of Human Resources Management (DHRM) has requested additional funding to support the renewal of the subscription annually. If that funding is approved, DHRM will return to Council with another resolution to renew the contract when the time comes.

**BACKGROUND**

The Department of Human Resources Management (DHRM) has been using a stand-alone client-server based recruitment software product developed by Sigma Data Systems, Inc. since 2004 when it was upgraded from a DOS-based system. The product has been useful in many regards, but changes in technology have resulted in its capabilities becoming outdated. One of the system's particular limitations is that it is not capable of providing an online job application function.

Item: \_\_\_\_\_  
Finance & Management Committee  
March 8, 2011

In January 2006, then-Mayor Dellums required that the City provide an online job application process to make the process more easily accessible to applicants. At that time, working with DHRM subject matter experts, the Department of Information Technology (DIT) built and implemented the iRecruitment module of Oracle to provide a method for applicants to apply online. Unfortunately, iRecruitment was not created for use in the public sector, particularly in a civil service environment, which has resulted in significant inefficiencies in capturing data related to the City's recruitments. DHRM is required to capture information related to the specific requirements of the classification, the position's union bargaining group, and Equal Employment data. In order to create eligible lists consistent with the Civil Service Rules, DHRM must have a way of evaluating applicants' minimum qualifications, residency and veteran status, and be able to rank the applicants based on established criteria. Oracle's iRecruitment module cannot create eligible lists, so DHRM staff has had to continue to use Sigma to evaluate applicants and create eligible lists. Operating Sigma and iRecruitment simultaneously requires twice the amount of data entry. The iRecruitment module has also proven frustrating to online applicants and has resulted in applications being lost and recruitments being delayed.

### KEY ISSUES AND IMPACTS

DHRM currently uses a recruitment data system purchased from Sigma several years ago. NEOGOV purchased Sigma in 2008 and their new product, "Insight," significantly updates and builds on Sigma's capabilities. NEOGOV has notified its customers that it will stop supporting the Sigma product at the end of 2011. DHRM will require an updated or new system; it is unadvisable and contrary to the City's information technology practices to continue to rely on an unsupported product.

#### Waiver of RFP Process

The product being proposed for purchase and implementation is the next generation of the Sigma product that the City is currently using. NEOGOV had deeply discounted its product to its former Sigma customers so the cost for subscription and implementation is already low; other companies could not reasonably compete with the cost. DHRM conducted informal research and considered several other products including, JobApps, People Admin, and Oracle. Public sector organizations using each of the products were contacted and staff discussed the perceived advantages and disadvantages of the products with staff in those organizations. Of particular interest were cities or other municipal organizations using the Oracle iRecruitment product. Staff was not able to identify a single public sector entity that was successfully using the Oracle product in a merit-based (civil service) environment, and the Oracle company was not able to provide a referral to such a customer.

Based on research conducted, DHRM staff determined that calling for bids on a competitive basis for this contract is impracticable, that to purchase and implement a new product would incur greater costs to the City than amending the existing contract, and it is in the City's best interests to waive the competitive Request for Proposals process. The resolution accompanying this report therefore waives the competitive bidding process.

Item: \_\_\_\_\_

Finance & Management Committee  
March 8, 2011

## Features of Proposed Product

NEOGOVS has more than 600 public sector customers (cities, counties, special districts, etc.) and has become the vendor of choice for the International Public Management Association (IPMA). The NEOGOV product was developed for the public sector and specifically for civil service environments. It is an off-the-shelf recruitment automation system requiring a short implementation time (three months), its features and tools provide a means to significantly improve efficiency in the recruitment process, and it would allow the City to greatly improve its online application process for applicants.

Some of the key features of NEOGOV's Insight product are:

- Efficiency and Transparency within DHRM - improves management of the recruitment process in one centralized system that can be accessed by any authorized DHRM staff: i.e. exam plan with timelines, announcements, applications, testing, scoring, eligible lists, etc.
- Efficiency and Transparency for departments – allows authorized department users to monitor recruitments in real time; i.e. review the number of applications received, number of applicants who meet the minimum qualifications, receive notification of closing dates, availability of eligible lists, etc.
- Efficiency and Transparency for applicants – system automatically generates notifications (email) to applicants at each stage of the process: i.e. receipt of application, pass/fail on minimum qualifications, pass/fail on exam, certification to eligible list (if civil service position).
- Online application process – applicants use an interface that is consistent with industry standards (compares to Monster.com, CareerBuilder.com, etc.).
- Robust reporting capability – provides a report “dashboard” that allows creation of customized reports related to timelines, advertising effectiveness, overall recruitment statistics, and applicant information like geographic locations, ethnicity, education levels, etc.
- Customizable tools and features – in NEOGOV, the City would have considerable control over what does and does not appear online for applicants. Also, announcements, minimum qualifications, tests, and scoring can be finely tuned to the City's standards and practices. For example, modification or addition of data fields to address specific needs relative to existing labor MOUs can be added.
- Civil Service – built for merit system (civil service) environment.
- Green Friendly – reduces paper processes significantly.
- Quarterly Updates – The company's broad customer base allows them to continually develop and improve the product.
- Professional Networking Tool – includes access to a community of users and a forum in which best practices are shared and developed.
- Web-based application – implementation requires no hardware or infrastructure costs.

### **SUSTAINABLE OPPORTUNITIES**

**Economic** – Implementing the NEOGOV product will increase efficiencies and allow the Department of Human Resources Management to function more effectively with its already greatly reduced workforce.

**Environmental** – By shifting to a largely online system, the use of paper throughout the recruitment and hiring process will be greatly reduced and is therefore more environment-friendly.

**Social Equity** – Implementing a full-service online application tool will improve opportunities for applicants across the social spectrum by making the process more readily accessible. Free computer kiosks are currently available at the Main Library and the Human Resources Customer Service area on the 2<sup>nd</sup> floor of 150 Frank H. Ogawa Plaza and will ensure that all interested applicants have the opportunity to apply through the new system.

### **DISABILITY AND SENIOR CITIZEN ACCESS**

The contract being proposed is for a product that is compliant with the requirements of the Americans with Disabilities and the Older Americans Acts.

### **RECOMMENDATION(S) AND RATIONALE**

The proposed resolution provides the City with the means to improve its recruitment system and online job application program to create greater efficiency and to provide greater service to the Oakland community. Staff recommends that Council accept this report and approve the accompanying resolution.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff requests that the City Council approve the proposed resolution waiving advertising, bidding and the request for proposals/qualifications requirements and authorizing the City Administrator to increase the contract with NEOGOV, Inc., to purchase a web-based recruitment and job application product upgrade and technical implementation services under a one-year subscription in an amount not-to-exceed twenty-nine thousand one hundred and ninety-five dollars (\$29,195) for the period March 15, 2011 to March 14, 2012.

Respectfully submitted,

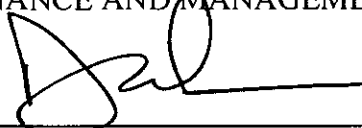


Andrea R. Gourdine, Director  
Department of Human Resources Management

Prepared by:  
Kip Walsh, Interim HR Manager,  
Recruitment & Classification Division, DHRM

*Attachments: Addendum/Sigma Upgrade Contract*

APPROVED AND FORWARDED TO THE  
FINANCE AND MANAGEMENT COMMITTEE:



Office of the City Administrator

Item: \_\_\_\_\_  
Finance & Management Committee  
March 8, 2011

Sigma Upgrade

Customer:

Bill To:

<u>City of Oakland</u>	<u>City of Oakland</u>
------------------------	------------------------

<u>Quote Date:</u>	<u>3/4/2010</u>	<u>Revision:</u>	<u>1</u>
<u>Valid From:</u>	<u>3/4/2010</u>	<u>Order Number:</u>	
<u>Valid To:</u>	<u>2/28/2011</u>	<u>Initial Term:</u>	<u>12 Months</u>
<u>Requested Service Date:</u>	<u>TBD</u>		

Order Summary

<u>Item</u>	<u>Annual Recurring License</u>	<u>One-time Price<sup>1</sup></u>
<u>1.0 Insight Enterprise- Sigma Upgrade</u>		
<u>1.1 Annual recurring License Subscription (\$31,000.00 for 4,000 employees. 38% Sigma transfer discount)</u>	<u>\$19,220.00</u>	
<u>1.2 Provisioning</u>		<u>\$5,000.00</u>
<u>1.3 Online User Training (or onsite 2 days = \$9,000.00)</u>		<u>\$2,500.00</u>
<u>1.4 GovernmentJobs.com Unlimited Postings (\$4,950 w/ 50% discount)</u>	<u>\$2,475.00</u>	
<u>New Hire Integration (Optional)</u>	<u>\$2,000.00</u>	<u>\$3,000.00</u>
<u>First-year Insight-TOTAL:</u>		<u>\$34,195.00</u>
<u>Subtotals:</u>	<u>21,695.00</u>	<u>7500.00</u>
<u>First year Insight TOTAL:</u>	<u>29,195.00</u>	

**Ownership, Protection and Security.**

- (a) The parties agree that the NEOGOV marks and the Customer marks shall both be displayed on and through NEOGOV's system(s).
- (b) Ownership of any graphics, text, data or other information or content materials and all records and databases supplied or furnished by Customer hereunder for incorporation into or delivery through the application(s) described in this agreement shall remain with Customer, and NEOGOV shall cease use of all such material upon termination of this Agreement.
- (c) Customer acknowledges and agrees that nothing in this Agreement or any other agreement grants Customer any licenses or other rights with respect to NEOGOV's software system (source code or object code) other than the right to receive Services as expressly provided herein. NEOGOV shall retain all ownership in the intellectual property and all other proprietary rights and interests associated with NEOGOV's software system and Services and all components thereof and associated documentation, except as expressly provided herein.
- (d) NEOGOV grants to Customer a limited license during the term of this Agreement to use and reproduce NEOGOV's trademarks and logos for purposes of including such trademarks and logos in advertising and publicity materials and links solely as permitted hereunder. All uses of such trademarks and logos shall conform to Customer's standard guidelines and requirements for use of such trademarks and logos.

**Order Detail****1.0 Insight Enterprise Edition****1.1 License Subscription**

The Customer's subscription to the Insight Hiring Management Software includes the following functionality:

**Recruitment**

- Customized online job application
- Accept job applications online
- Online applications integration with current agency website
- Online job announcements and descriptions
- Automatic online job interest cards
- Proactively search your applicant database
- Real-time database of all applicant information
- Recruitment and examination planning

**Selection**

- Create, store, and reuse supplemental questions in the Insight item bank
- Screen applicants automatically as they apply
- Define unique scoring plans per recruitment, or copy existing scoring plans
- Conduct item analysis
- Test processing (automatically input Scantron test data sheets from TEXT formatted file)
- Test analysis and pass-point setting
- Score, rank, and refer applicants

#### Applicant Tracking

- Email and hardcopy notifications
- EEC Data collection and reports
- Track applicants by step/hurdle
- Schedule written, oral, and other exams
- Detailed applicant history record
- Skills tracking and matching

#### Reporting and Analysis

- Collect and report on EEC data
- Analyze and report on adverse impact and applicant flow
- Track and analyze data such as time-to-hire, recruitment costs, staff workload, applicant quality, etc.
- Over 90 standard system reports
- Ad Hoc reporting tool

#### HR Automation

- Create and route job requisitions
- Refer and certify applicants electronically
- Scan paper application materials

Additionally, during the term of the subscription, the Customer will be provided:

#### Unlimited Customer Support (6:00 AM – 6:00 PM PT)

Customer Support shall be provided to the Customer both on-line and by telephone Monday – Friday, 6:00 AM – 6:00 PM PT (excluding NEOGOV holidays).

#### Product Upgrades to Licensed Software

Customer shall receive all product upgrades to purchased package. Product upgrades are automatic and available upon the next login following a product upgrade rollout. Product upgrade rollouts are generally released every three months.

### 1.2 Provisioning

The following activities are conducted as part of the Insight Enterprise implementation

- Conduct a project kick off meeting to review the project timeline, deliverables, and establish project expectations
- NEOGOV will establish an Agency-specific training environment that will be used during training and post-training to allow the Agency to learn the system and begin defining new roles, responsibilities, and activities within the HR staff
- Once the core user community is comfortable with the system (typically within 10 hours of hands-on use) they will train the remaining HR staff to complete their tasks using Insight.
- Between the training and go-live, NEOGOV will complete the following activities:
  - Creating an agency-specific training environment which is used by your agency during training and afterwards to train in prior to moving into production



- o Configure printable job bulletin
- o Integrate your new production job opportunities, promotional opportunities, and class specifications web pages into your existing agency website
- o Establish the Agency's Insight Enterprise production environment

**1.3 Training**

NEOGOV will deliver training to Agency recruiters. We will provide all required user exercises and user guides to the Agency.

Following the training, your agency will have full access to the training environment. Additionally, your agency has full access to our Customer Support Help Desk during the training to help new users fully utilize Insight. Our existing customers find that this unique implementation approach enables their users to become familiar with Insight in a safe environment, promoting system use and leading to a more successful rollout.

Order Form Terms and Conditions:

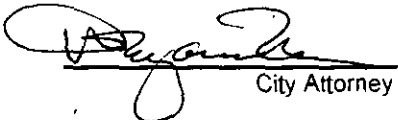
- Addendum total amount is due Net 30 within the addendum execution date.

<u>Customer</u>	<u>NEOGOV, Inc.</u>
Signature: _____	Signature: _____
Print Name: <u>Dan Lindheim</u>	Print Name: _____
Title: <u>CITY ADMINISTRATOR</u>	Title: _____
Date: _____	Date: _____
Signature: _____	
Print Name: <u>Andrea R. Gourdine</u>	
Title: <u>DHRM DIRECTOR</u>	
Date: _____	
Signature: _____	
Print Name: <u>Ken Gordon</u>	
Title: <u>DIT DIRECTOR</u>	
Date: _____	
Signature: _____	
Print Name: _____	
Title: <u>CITY ATTORNEY</u>	
Date: _____	



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2011 FEB 24 AM 11:30

  
City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

**RESOLUTION WAIVING ADVERTISING, BIDDING AND THE REQUEST FOR PROPOSALS/QUALIFICATIONS REQUIREMENT AND AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CONTRACT WITH NEOGOV, INC. TO PURCHASE A WEB-BASED RECRUITMENT AND JOB APPLICATION PRODUCT UPGRADE AND TECHNICAL IMPLEMENTATION SERVICES UNDER A ONE-YEAR SUBSCRIPTION IN AN AMOUNT NOT-TO-EXCEED TWENTY-NINE THOUSAND ONE HUNDRED AND NINETY-FIVE DOLLARS (\$29,195.00) FOR THE PERIOD MARCH 15, 2011 TO MARCH 14, 2012**

**WHEREAS**, the City of Oakland wishes to amend and increase its contract with NEOGOV, Inc. (formerly Sigma) to purchase a one-year subscription for a web-based recruitment and job application software product and technical implementation services; and

**WHEREAS**, the City is currently using an outdated software system for recruitment data collection functions, a NEOGOV, Inc. product; and

**WHEREAS**, the City is currently using the Oracle iRecruitment software module for online recruiting which is not designed for use in a civil service environment and would be replaced by the upgraded NEOGOV, Inc. product; and

**WHEREAS**, NEOGOV, Inc. notified its customers that it will stop supporting its outdated recruitment product at the end of 2011 and staff recommends against continuing use of an unsupported recruitment software product; and

**WHEREAS**, it is necessary that the City improve its recruitment system and online job application program to create greater efficiency and to provide greater service to the Oakland community in recruitment and hiring; and

**WHEREAS**, NEOGOV, Inc. will provide an upgrade for the City's outdated system comprised of a one-year subscription for products at a cost of \$21,695.00 and implementation services at a cost of \$7,500.00, for a total cost of \$29,195.00 for one year; and

**WHEREAS**, NEOGOV, Inc. has proprietary rights over its product and is, therefore, uniquely qualified to upgrade the City's recruitment and job application system; and

**WHEREAS**, staff recommends that the City Council waive the advertising, bidding and request for proposals/qualifications requirements for this system upgrade purchase because: 1) NEOGOV, Inc. is the only vendor that can provide an upgrade to its proprietary product, therefore, solicitation of bids and proposals/qualifications would be impracticable, unavailing or impossible, and 2) staff has determined that it is most cost effective to upgrade the City's existing recruitment system rather than purchase a new system, therefore, waiver of solicitation requirements is in the best interests of the City; and

**WHEREAS**, Oakland Municipal Code (“OMC”), Chapter 2.04, *Purchasing Ordinance*, Section 2.04.040.B.1 requires advertising and bidding for the purchase of products and OMC Section 2.04.040.B.3 requires some type of solicitation process for proposals/qualifications for the purchase of professional or technical services; and

**WHEREAS**, OMC Sections 2.04.050.1.2, 2.04.050.1.5 and 2.04.051.B authorize the City Council to waive advertising, bidding and request for proposals/qualifications requirements upon a finding that it is in the City’s best interests to do so; and

**WHEREAS**, the City Administrator has determined that the services to be provided under the contract authorized are of a professional, technical or scientific and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and

**WHEREAS**, funds have been identified in the Department of Human Resources Management’s adopted FY 2010-2011 budget in the General Purpose Fund (1010), Organization (05211); now, therefore, be it

**RESOLVED:** Pursuant to Oakland Municipal Code Sections 2.04.050.1.2, 2.04.050.1.5 and 2.04.051.B and based on the information set forth in this resolution and in the City Administrator’s report accompanying this item, the City Council finds that it would be “impracticable, unavailing or impossible” to undertake solicitation processes for this purchase and it is in the City’s best interest to waive said processes for procurement of an upgrade for the City’s web-based recruitment and job application system, and so waives the requirements; and be it

**FURTHER RESOLVED:** That the City Administrator is hereby authorized to increase the contract with NEOGOV, Inc. to purchase a one-year subscription for a web-based recruitment and job application product and technical implementation services in an amount not-to-exceed twenty-nine thousand one hundred and ninety-five dollars (\$29,195.00) for the period March 15, 2011 to March 14, 2012; and be it

**FURTHER RESOLVED:** That the contract authorized hereunder is subject to City Attorney approval for form and legality and shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2011

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF and PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California