



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich
County Executive

Tiffany Ward
Director and Chief Equity Officer

MEMORANDUM

April 16, 2024

To: Jennifer Bryant, Director
Office of Management and Budget

From: Tiffany Ward, Director
Office of Racial Equity and Social Justice 

Re: Racial Equity Impact Assessment (REIA) Supplemental Appropriations (SA) #24-74 to the FY24 Operating Budget Montgomery County Government Department of Finance UKG Timekeeping System Upgrade, \$2,650,000

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriations #24-74 will have a negligible impact on racial equity in the County. The funding is designated to upgrading the UKG Kronos Timekeeping and Scheduling System used uniformly by Montgomery County employees. Since this system is a standard operational tool for all employees, the upgrade does not disproportionately benefit or burden any race or ethnicity. It is an internal mechanism, detached from public interaction, and does not modify the nature of services provided by the County.
- II. **BACKGROUND:** Special Appropriation #24-74 amends the 2024 operating budget by adding \$2,650,000 to integrate payroll and scheduling systems. The funds will facilitate the transition from multiple platforms to a unified system.¹ They will also be used to update and merge existing timekeeping and scheduling software before it reaches end-of-life on December 31, 2025. The appropriation will cover a one-time setup fee and monthly Software as a Service (SaaS) fees totaling \$24,940.

Additionally, \$1,186,860 will be allocated for professional services, including migration, educational initiatives, and change management. To support these changes, the

¹ Systems to be migrated include Workforce Timekeeper (MCtime) and three instances of Telestaff scheduling software. The new system will be called Pro Workforce Management.

Department of Finance (“Department”) will receive \$888,200 to hire contractors for help during and after the system is implemented. Further, \$550,000 will fund a contractor specializing in instructional design and training. This allocation aims to minimize operational disruptions and uphold the integrity of the county's payroll and scheduling operations.

- III. **ANALYSIS:** The racial equity and social justice impact of Supplemental Appropriation #24-74 on Montgomery County residents is negligible. Notably, the County’s decision to bypass a new RFP process risks reinforcing existing barriers for small, minority-owned enterprises in public procurement. The Office of Racial Equity and Social Justice understands the Department’s concerns about timing and complexities, especially given the need for improvements to be completed by December 31, 2025.² However, an open and competitive bidding process has the potential to unlock innovation and drive down costs while ensuring small and local firms have an honest and fair opportunity to compete for contracts in the County. As these supplemental moves forward, the Department should take affirmative steps to ensure small, local, and minority-owned firms receive fair opportunities to compete for subcontracting opportunities.³

cc: Michael Coveyou, Director, Department of Finance
Ken Hartman, Assistant Chief Administrative Officer, Office of the County Executive

² See March 12, 2024 [Department of Finance Memo from Michael J. Coveyou to Jennifer Bryant](#).

³ Bloomberg Cities Network, [Procurement is reforming how cities work](#), February 1, 2023; also see Government Alliance on Race & Equity, [Contracting for Equity: Best Local Government Practices that Advance Racial Equity in Government Contracting and Procurement](#), October 4, 2015.