



ANTHONY C. MARRONE  
FIRE CHIEF  
FORESTER & FIRE WARDEN  
"Proud Protectors of Life,  
the Environment, and Property"

**COUNTY OF LOS ANGELES  
FIRE DEPARTMENT**

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(323) 881-2401  
[www.fire.lacounty.gov](http://www.fire.lacounty.gov)



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December 03, 2024

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

46 December 3, 2024

*Edward Yen*  
EDWARD YEN  
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF RETROACTIVE PAYMENT TO ULTIMATE KRONOS GROUP FOR PROVIDING SOFTWARE AS A SERVICE LICENSE (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( )**

**SUBJECT**

The Consolidated Fire Protection District of Los Angeles County (District) is requesting Board of Supervisors' (Board) approval to authorize the Internal Services Department (ISD), as the County's Purchasing Agent, to issue a confirming Purchase Order (PO) to Ultimate Kronos Group (UKG/Kronos) for providing Software as a Service (SaaS) licensing to the District.

**IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY**

1. Authorize ISD, as the County's Purchasing Agent, to issue a confirming PO to UKG/Kronos in the amount of \$175,142 for providing SaaS licensing to the District.
2. Find that these services are exempt from the provisions of the California Environmental Quality Act (CEQA).

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended actions will authorize ISD, as the County's Purchasing Agent, to issue a confirming PO to enable the District to pay \$175,142 to UKG/Kronos for SaaS services which

provides licenses for Workforce Central (WFC) to resolve a disagreement over the amount owed by the District.

The District utilized UKG WFC Telestaff software to manage Lifeguard staffing for many years. In 2018, the District upgraded the staffing system to the SaaS platform which required the District and ISD, as the buyer, to enter into an agreement ("2018 Agreement") governing the use of WFC SaaS software. The terms of the 2018 Agreement were a three-year automatic renewal agreement with two optional years. The agreement had a provision that it could be terminated by either party with 30 days of notice.

During FY 2019-20, the District procured additional WFC licenses to expand the scope of the Lifeguard staffing system to cover all public safety employees within the District, as well as include the timekeeping functionality. This system was intended to replace two legacy systems used by District badge personnel, Fire Office, and Internet Protocol Field Incident Reporting System (IPFIRS). In order to effectuate the expanded needs, to purchase new licenses, and renew the WFC Telestaff and WFC Timekeeper licenses, the District entered into an agreement ("2020 Agreement"), which adopted the terms of the 2018 Agreement.

During development of the Lifeguard Timekeeping System, the District determined that the system was not suitable for implementation due to issues with the system requiring a large quantity of processes which could not be automated and would have to be manually completed by Payroll every pay period. The District then determined it would cease development on the proposed consolidated system during FY 2021-22. Notice to downgrade WFC Telestaff was sent to UKG/Kronos on August 24, 2021, and September 24, 2021, for WFC Timekeeper.

While the process of downgrading SaaS licenses for WFC Telestaff was straightforward, miscommunication and communication delays were encountered downgrading the WFC Timekeeper licenses. While a termination of service request was made for all WFC Timekeeper licenses on March 7, 2023, SaaS fees continued to accrue on the licenses, and the outstanding balance grew to \$464,640. The District did not agree it owed UKG/Kronos the \$464,640 because it believes UKG/Kronos contributed to the delays. Subsequently, UKG/Kronos and the District negotiated an amount agreeable to both parties. The new outstanding balance is \$175,142.

The District has deemed this incident urgent as UKG/Kronos has noted an increased risk of suspension of other services provided. Specifically, UKG/Kronos has notified the District that they are considering exercising their right to suspend services for the production Lifeguard staffing system, Telestaff, if payment is not addressed promptly. This software is also licensed from UKG/Kronos. Timekeeper was to be an extension of Telestaff which is utilized to identify the availability of Lifeguard staff and immediately backfill and assign them to a Lifeguard worksite. If payment is not rendered promptly, UKG/Kronos will suspend Telestaff services which would require the Department to manually call each Lifeguard employee for availability. This would affect the timeliness of providing critical Lifeguard services to the public.

### **Implementation of Strategic Plan Goals**

Approval of the recommended action is consistent with the County's Strategic Plan North Star 3, Realize tomorrow's government today, and Focus Area Goal G. Internal Controls and Processes, by strengthening our internal controls and processes while being cognizant of efficiency to continue good stewardship of the public trust and fiscal responsibility.

### **FISCAL IMPACT/FINANCING**

The District, as a Special District, is funded independently from the County's General Fund, and relies primarily on property tax revenue to provide essential fire protection and emergency medical services.

The District's FY 2024-25 Final Adopted Budget includes sufficient funding to cover the purchase of \$175,142 for October 13, 2021, to June 12, 2023, for licensing services received from UKG/Kronos.

There is no impact to Net County Cost.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Board Policy 5.300 (Retroactive Contracts) requires that the Retroactive Contracts Review Committee (RCRC) review all requests for retroactive contract payments. As authorized under Board Policy 5.300 and Subsection 4.1 of the Implementation Instructions for Retroactive Contracts Review Committee Procedures, the District has determined that payments to this Contractor are urgent, and the District is seeking your Board's approval of the recommended action prior to meeting with the RCRC. Upon Board approval, the District will follow the RCRC procedures. The presentation to the RCRC is anticipated to occur in December 2024, following which the District will submit its Board memo notifying the Board of completion of the retroactive review process and provide the Board with its Corrective Action Plan.

As a corrective action, the District will ensure improved monitoring procedures are in place and has discussed with staff to be more diligent in monitoring internal requisitions to ensure critical deadlines are met. Additionally, the District will consult with ISD if District staff cannot successfully rectify issues with vendors in a timely manner and obtain the required documentation to avoid future retroactive purchases.

In compliance with Board Policy 6.020, "Chief Information Office (CIO) Board Letter Approval," the OCIO reviewed the information technology (IT) components (management, design, development, acquisition, expansion, or purchase of IT systems and/or related services) of this request and recommends approval. The OCIO determined this recommended action does not include any new IT items that would necessitate a formal written CIO analysis.

### **CONTRACTING PROCESS**

Upon your Board's approval, the PO will be processed by ISD in accordance with the County's purchasing policies and procedures.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The vendor, UKG/Kronos, has notified the District that they are considering exercising their right to suspend services for the production Lifeguard staffing system, Telestaff, if payment is not addressed promptly. This software is also licensed from UKG/Kronos. Timekeeper was to be an extension of Telestaff which is utilized to identify the availability of Lifeguard staff and immediately backfill and assign them to a Lifeguard worksite. If payment is not rendered promptly, UKG/Kronos will suspend Telestaff services which would require the Department to manually call each Lifeguard employee for availability. This would affect the timeliness of providing critical Lifeguard services to the public. Approval of the recommendation will enable the District to pay for services received during prior

The Honorable Board of Supervisors

12/3/2024

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fiscal years.

**CONCLUSION**

Upon approval by your Honorable Board, please instruct the Executive Officer of the Board to return the adopted stamped Board Letter to the following:

Consolidated Fire Protection District of Los Angeles County  
Executive Office - Business Operations  
Attention: Marissa Martin Jensen, Administrative Services Manager II  
1320 North Eastern Avenue  
Los Angeles, CA 90063  
Marissa.MartinJensen@fire.lacounty.gov

Internal Services Department Purchasing & Contracts Services  
Attention: Gerald Plummer, Division Manager  
1100 North Eastern Avenue, Suite 102  
Los Angeles, CA 90063  
GPlummer@isd.lacounty.gov

The District's contact, LaVerne Holley, may be reached at 323-838-2371.

Respectfully submitted,



Peter Loo  
Chief Information Officer



ANTHONY C. MARRONE  
FIRE CHIEF

ACM:lh

c: Chief Executive Officer  
Executive Office, Board of Supervisors  
County Counsel  
Internal Services Department