

February 20, 2003

03-062

GRANT AN EXEMPTION FROM A FORMAL  
COMPETITIVE PROCESS AND APPROVE A CONTRACT  
REVISION AND EXTENSION WITH HRSMART TO  
PROVIDE AN ONLINE RECRUITING AND APPLICANT  
TRACKING SYSTEM AND SERVICES

PREPARED BY: Roger Cardinal, Manager, Procurement & Risk Services

FINANCIAL  
RESPONSIBILITY: Jerry Donnelly, Director, Human Resources

APPROVED BY: Randy McEwen, Vice-President, Administrative Services  
Jesus "Jess" Carreon, President

REPORT: Since Fall 2000, after an informal competitive process (due to the low contract amount), Human Resources (HR) has been contracting with HRsmart to provide on-line employment application services of limited scope, primarily an on-line applicant pool process for part-time faculty. The existing system was custom built for PCC, but has extremely limited functionality for expanding our on-line capabilities for recruitment and selection of any other category of employment. This contract does not expire until December 30, 2003, and the maintenance and user fees are \$495 monthly.

Recent advancements in web-based technology now allow systems to provide substantially greater on-line services. However, the estimated costs to modify our current custom application to a full scope on-line recruitment and selection process are very close to purchasing a complete HRsmart product developed in conjunction with IBM as a next generation package. HR staff believe that this is a unique opportunity and that this new system will result in significant reductions in the length of time and cost per hire. It will also result in both substantially reduced paper processing and transaction time for PCC managers, screening committee members and HR staff, as well as speedier responses to applicants.

HRsmart is offering PCC this new product at a substantially reduced purchase price (\$10,000 instead of the normal \$20,000 cost) if we agree to revise and extend our contract for a three (3) year period. This price includes ten (10) custom features for PCC, and two (2) additional requested features that will cost another \$5,000. The ongoing maintenance and user fees for this new service would be \$1,500 monthly. The total costs of this revised and extended contract would be approximately \$70,000.

The College's Procurement Rules require a formal competitive process for the acquisition of goods/services that exceed \$50,000 total for the complete term of a proposed contract. HR staff wish to continue and expand their partnership with HRsmart, who have provided quality service to the College within the current contract. Previously, HR had also looked at a comparable system which had an initial cost of \$40,000, with similar annual maintenance and user fees thereafter. An exemption from a formal competitive process must be granted by the Board, as well as authorization to expend the approximately \$70,000 that this revised/extended contract will cost.

**RECOMMENDATION:**

That the Board of Directors grant an exemption from a formal competitive process, and authorize a revised and extended contract with HRsmart for an on-line recruiting and applicant tracking system and services. The contract will be for three (3) years and will cost approximately \$70,000 total. The HR general fund budget will pay for these expenditures.

Director Germond moved for approval of Resolutions 03-058, 03-059, and 03-061 through 03-065 by consent agenda. It passed unanimously.