



Department of Human Resources
Division of Employee Benefits

INTER-OFFICE COMMUNICATION

Date: 12/15/2017
TO: Theodore Lipscomb Sr., Chairman, Milwaukee County Board of Supervisors
FROM: Michael Stanke, Benefits Manager *MS*
SUBJECT: **Report from the Benefits Manager, Department of Human Resources, regarding the renewal of the Morneau Shepell Contract for benefits administration software.**

Policy

Section 56.30(9) of the Milwaukee County Ordinances states that no work shall be performed by any professional service contractor until a written contract has been executed and signed by all appropriate officials.

Issue/Background

In 2015, Ceridian abruptly sold the Benefits service that Milwaukee County relied upon to Morneau Shepell. To avoid disruption of service to County operations, the Employee Benefits Division sought and received authorization to extend the contract with Morneau Shepell for benefits administration software. Milwaukee County has partnered with Morneau Shepell to deliver benefits administration software since 2015.

Milwaukee County will be starting the implementation of the ERP project in the first quarter of 2018. This project will implement new systems for HR, payroll, and benefits administration. The current Morneau Shepell benefits administration system will be replaced with the new ERP system at the end of 2019.

Based on the implementation of new systems scheduled for 2020 the Benefits Division recommends renewal the existing contract with Morneau Shepell until the New ERP systems are in place. The renewal will be for years 2018 and 2019 at a 1% increase from previous contract. The increase in cost will be \$10,708 from the previous year.

Recommendation

Due to the upcoming ERP initiative, the Benefits Division is seeking authorization to renew the contract with Morneau Shepell for the next two years, after which the new Infor software will be replacing the current system. The Benefits Division has partnered with Morneau for past several years and believes the two-year contact at a slight increase of 1% from previous year locked in for 2 years to be the best solution until we implement our new systems.

CC: County Executive Chris Abele
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Kerry Mitchell, Chief Human Resources Officer
Margaret Daun, Corporation Counsel
Supervisor Peggy West, Chair, Finance & Audit Committee
Supervisor Luigi Schmitt, Chair, Personnel Committee
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