

FOR IMMEDIATE RELEASE

YMCAs Take HR and Payroll to New Level with UltiPro Workforce Management

Weston, FL, February 18, 2004— Ultimate Software (Nasdaq: ULTI), a leading provider of Web-based payroll and workforce management solutions, announced that YMCAs throughout the United States are lifting HR and payroll practices to more strategic levels by implementing UltiPro Workforce Management to streamline their processes and improve efficiencies.

Because YMCAs are one of the largest not-for-profit community service organizations in the United States, and therefore accountable to donors and funding agencies, they must operate as efficiently as possible on contributions. With workforce management processes that are challenged by scarce technological resources, high employee turnover, and a relatively complex payroll, this can be a difficult task. YMCAs are turning to UltiPro as a cost-effective way to integrate their HR and payroll processes, gain reporting capabilities, and improve workflow between employees and managers.

The YMCA of Kansas City had been using a service bureau prior to UltiPro and now finds that Ultimate Software's hosted model, Intersourcing, provides a contrastingly easy-to-use, powerful solution that the organization is leveraging to fully integrate and automate its employee-related operations. It went live on UltiPro in October 2003.

"UltiPro was technologically the most advanced product that we reviewed when we were looking for a new system, and it's already reduced our 1,300-employee payroll processing time from a few days to a few hours," said Paul Smith, CFO for YMCA of Kansas City. "I can use UltiPro's technology to log on at home and access any information in the system, including business intelligence reporting that can help me pinpoint areas of excessive overtime or compare compensation by position. I can then e-mail that report to a manager in any of our 17 locations. Similarly, our managers and employees can use that technology to access information that is appropriate without phone calls to HR or e-mails to payroll. It all adds up. We expect to see significant overall savings."

Intersourcing is an alternative for businesses like the YMCA that don't want to purchase hardware or provide staffing to maintain their systems. With Intersourcing, companies can pay per employee per month for UltiPro's comprehensive functionality, and Ultimate Software hosts the servers, performs system backups, and completes upgrades.

The Metro Atlanta YMCA has used UltiPro since July 2001, and Katie Carstens, its vice president of human resources, agrees that the solution has helped elevate the organization's workforce management processes. "When we switched to UltiPro, we were literally going from peanut butter to caviar," she said. "Before the change, we were making time-consuming payroll modifications on Excel spreadsheets and doing without needed reports because we had separate HR and payroll systems for our 2,000 employees. UltiPro's integrated reporting is phenomenal. To prepare the same federal reports that used to require hours of work, I now punch 'Go', and they're done."

The YMCA of Greater Richmond, Va., is using UltiPro's functionality to gather precise data for planning and budgeting. Due to seasonal weather changes affecting outdoor sports and summer camp, YMCA organizations are often challenged by a fluctuating workforce that is largely made up of part-time employees. These employees might work several different jobs in a single pay period, with different pay rates and at multiple branch locations, creating potential havoc for payroll and reporting. UltiPro can manage the YMCA's complex payroll because the solution supports multiple job codes at multiple pay rates for one person, maintaining paycheck accuracy and providing valuable information to use in labor distribution reports.

"We have many people on our staff wearing different hats – someone may spend five hours a week as a child care counselor, 12 hours a week as an aerobics instructor, and 8 hours a week teaching swimming classes. We looked for a solution that would continue to give us the flexibility to manage this job/branch/pay rate matrix to pay our staff correctly and that would enable us to provide the associated labor time and cost information to our branch executives. As a nonprofit entity, the YMCA feels a responsibility to be a good steward of the resources at its disposal. Our staff members are our greatest resource, and UltiPro gives us the tools to maximize their effectiveness," said Brent Williams, systems analyst for the HR/PR project. "We've had a dramatic improvement in our HR information storage and reporting with UltiPro. Since its implementation, the solution has reduced the amount of time our HR staff spends preparing reports, such as monthly retirement contributions, from days to hours. This has been a tremendous improvement to our operations."

"We're very proud that UltiPro can help organizations like the YMCA operate at maximum efficiency as they work to better our country's communities," said Greg Swick, senior vice president of sales for Ultimate Software.

About Ultimate Software

Ultimate Software, a leading provider of Web-based payroll and workforce management solutions, markets award-winning UltiPro as licensed software, as a hosted application through Intersourcing, and as a co-branded offering to Business Service Providers (BSPs) under the "Powered by UltiPro" brand. The Company employs 430 professionals who are united in their commitment to developing trendsetting solutions and delivering quality service. Ultimate Software customers represent diverse industries and include such organizations as Benihana Restaurants, The Container Store, Elizabeth Arden, The Florida

Marlins Baseball Team, The New York Yankees Baseball Team, Omni Hotels, Ruth's Chris Steak House, and SkyWest Airlines. More information on Ultimate Software's products and services can be found at www.ultimatesoftware.com.

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