



## **Staff Report**

**RE:** Payroll Services

**Department/Program:** Finance

**Explanation:** The City has been using its New World ERP software to prepare payroll, in conjunction with a time clock system and a separate scheduling software. While recruitment is conducted through an electronic process, all new-hire paperwork is still completed on paper. Data must then be re-entered into the New World software. This process is antiquated and cumbersome especially during the peak hiring season for summer employees. Society has come to expect access to their personal information, such as pay stubs, through phone apps. Currently employees can only access payroll information in a browser environment.

Staff issued an RFP for payroll services in June. This RFP was emailed directly to payroll companies, posted on the City's website and advertised in the newspaper. Eight companies responded with bids. Staff from all departments have viewed demos presented by three of the companies who responded to the RFP to ensure that the payroll software could meet Ballwin's scheduling requirements, primarily for aquatics and police employees. ADP was the low bidder, and their scheduling product will meet our needs. While cost will fluctuate based on the number of employees, we anticipate annual costs of approximately \$35,000 with one time implementation costs of \$8,000. ADP has been in business for 74 years and has more than one million clients.

The cost of outsourcing payroll services will be partially offset by savings achieved through cancellation of time clock services, cancellation of scheduling software and reduced annual maintenance costs for New World's HR module. Expected benefits include:

- Access to services in a cloud-based environment
- Enhanced security of employee data
- Onboarding
- Time off request capability
- Employee access to data via mobile apps
- Efficiencies through reduced data entry
- Improved reporting capabilities

**Recommendation:** Staff recommends engaging with ADP for payroll services. Services will commence in 2024.

**Submitted By:** Denise Keller, Finance Officer

**Date:** August 8, 2023