

**TOWN OF FAIRFAX
STAFF REPORT**

To: Mayor, Members of the Town Council

**From: Michael Rock, Town Manager
Laurie Ireland-Ashley, Finance Director**

Date: December 2, 2009

Subject: Authorize staff to enter into an agreement for payroll processing with a new provider

RECOMMENDATION

Authorize staff to enter into an agreement for payroll processing with a new provider

DISCUSSION

Over the years, the Town has utilized various vendors for payroll services. Currently, the Town retains Paychex which the Town has utilized since January 2008.

The Town is changing the frequency of the payroll periods from once a month with a 15th pay – to a traditional bi-weekly pay period resulting in 26 pay periods per year. The Town has reviewed the requirements needed to fully utilize efficiently staff's time and provide quality payroll product to the employees.

The payroll frequency change was presented to and accepted by SEIU, Fairfax Police Officer's Association, and the Management group within the last MOU adoption. The potential payroll provider change was presented to all of the groups and accepted as viable.

It is staff's recommendation that we re-open dialog with possible payroll providers and review the Town's needs with them. The Town was previously with ADP and they currently handle many municipalities within the State of California. They are the leading choice for the new payroll provider.

The most significant reason for reviewing the payroll process and providers is the Town's need to have all of the accruals, calculations and tax payments handled quickly, efficiently, and accurately.

Staff will return to Council with a contract to approve upon selection.