

BOROUGH OF FANWOOD

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2015 Request for Quote Automated Payroll Services

The Borough of Fanwood is seeking an experienced Automated Payroll Service to generate payroll according to the specifications listed below.

Quotes shall be returned to this office no later than **12 noon on February 19, 2015.**

SCOPE & SPECIFICATIONS

The Borough of Fanwood is seeking to contract with a service company to provide Automated Payroll Accounting Services. The quote must consist of a formalized payroll package that will meet all the needs and requirements necessary for a municipality employing approximately 38 full time and 81 part time employees year round, all paid on a twice monthly payroll basis. The Borough is presently required to prepare 24 regular payrolls.

The program must also provide the flexibility necessary to address changes in Federal and State Laws and numerous Labor Agreements. The Borough is subject to regulations by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which promulgates rules and regulations regarding financial activities including the area of payroll and pensions.

The program must also provide the flexibility necessary to address legitimate omissions and errors that may occur, which need to be rectified before the next scheduled pay date of the Borough.

Additionally, the Payroll Service must provide current results of Standards for Attestation Engagements (SSAE) No. 16, Type II Report.

TERM

This agreement shall become effective upon execution of the Contract by the Borough of Fanwood and the successful Payroll Service for a one (1) year term. The Borough of Fanwood shall have the option to renew this contract for two (2) one-year terms or 1 two-year term. Quotes will be accepted from Payroll Services which have the capacity to provide services with an experienced professional staff and are fully qualified to provide Municipal Payroll Services pursuant to NJSA 17:9-41, otherwise known as the Government Unit Deposit Protection Act. The Borough reserves the right to conduct personal interviews or require oral presentation along with hands-on demonstration of the payroll program. The first twice monthly payroll to be

processed on this contract will be determined by date of award by Borough.

BASIC PAYROLL PROCESSING

The system must provide accessibility with password-restricted access. The system will include provision for access via remote login client between the Payroll Service and the Borough. The Borough must have the ability to enter and retrieve data via remote access, check for accuracy, and make all necessary entries of changes. The entire payroll, including all pay data, checks and any standard reports will be processed and delivered within 48 hours of submission. Current banking protocols require direct deposits be transmitted 48 hours before the pay date.

The system must have the ability to interact on a “real time” basis with the Borough personal computers to make inquiries and edit live data within the employee master file.

PAYROLL SYSTEM DESIGN REQUIREMENTS

- Graphic user interface required
- Ease of operation, with a minimum of two (2) months training, both on site and off site.
- Employ a menu-driven system with pre-formatted data screens.
- Capability to allow for the interfacing of external data sources, including a timekeeping system and electronic attendance system.
- Capability to handle Accounting entry and Automatic interface with Budget/General Ledger, including automatic splits to multiple Budget/GL numbers for regular and all other constant earnings. System must allow for entering (data entry) Budget/GL numbers for overtime and other miscellaneous earnings per pay.
- Real-time database driven system
- Help screens to make the system easy to use and simple to understand
- Availability of regular training programs at the Payroll Service site.
- User capability to design or customize reports/queries based on all data fields
- Persistent access to all prior payroll/data
- All earnings must be customized to Borough needs
- Ability to split earnings & OT between departments
- Hours & Wages by earnings type for current pay
- Year to date wages by earnings type for current pay
- Department number to be indicated on payroll check

CONFIDENTIALITY OF PAYROLL DATA MUST BE ASSURED THROUGH THE FOLLOWING LEVELS OF SECURITY

- System level user passwords and IDs assigned by a system administrator.
- Program level passwords and IDs control access into PC/Payroll Programs (i.e., payroll maintenance or report writer inquiry). Menu level passwords and IDs restrict access to specific items on the main menu of the system

- Company Code level access permits the user to view all screens on the main payroll menu for some or all company codes (payroll controls).

STANDARD REPORTING REQUIREMENTS/REPORT WRITER

Inquiry and reporting options must include at a minimum the following reports for the payroll personnel system.

Reports:

- Transaction Audit trail that allows user to verify all data entered by user. This report should allow for the review of all hours, dollars earned and all deductions, plus total gross and net pay. In addition, this report should detail changes from your previous payroll and list the “changes to”, “previous value” and “new value”. This report will be made available prior to the processing of the payroll.
- Pre-check writing program that allows the user to preview (on terminal) all payments to employees (hours, earnings, total earnings, total deductions and net pay) before issuing checks. The program must have the ability to print this report at the user’s site.
- Payroll Check Register showing check date, check number, employee name, check amount, total checks issued and the total amount of net checks. This report should not show Direct Deposits (ACH).
- Recap Report with ability to display current local and grand total (all locations) for both earnings and deductions for that pay period. This report must also display taxable dollars per pay period, current quarter and year to date.
- Payroll Register listing occurring and year-to-date figures for hours, earnings, and deduction, with department totals.
- Master Employee Database Report. A comprehensive alphabetical listing of all pertinent employee data, including current, quarterly and year-to-date payroll related data.
- Employee Earnings Record: A detailed listing of all employee hrs. /days worked, earnings and deductions, on a pay-period basis.

Direct Deposits/Paychecks:

- Direct Deposit with a minimum of four (4) separate deposit accounts for each employee
- Payroll checks or direct deposit receipts must list all (current & YTD) hours worked earnings, total earnings per pay period, deductions, total deductions per pay period and year-to-date deductions. In addition, they must be able to display additional miscellaneous information.
- Capability to report Borough data on approved absence balances, sick, vacation, etc.

Report Writer

In addition to the standard reports described above, the Report Writer must provide the user the ability to:

- Access information stored in the payroll and/or personnel database.
- Format the information according to required specifications
- Display the information on a screen.
- Print a copy of the report/query

- Store the report on a disc file
- Allow users to select master file fields, perform calculations on them and sort them in any order required.
- Accomplish the routine ad hoc “what if” inquiries or customize and generate regularly scheduled reports.
- Allow the user to select and output master file fields to a disc file for use with selected PC software or other internal system. This is to be accomplished with information via transmission of data to and from mainframe computer at Payroll Service processing center.

Miscellaneous:

- Provide remote network terminal capability
- Ability to electronically transmit/receive (per pay period) account reconciliation data (check issued information) to our local bank in format readable by local bank.

Bank Reconciliation File

Software must be capable of creating a file layout for transmission/receipt of the bank payroll reconciliation file.

TAX FILING SERVICE REQUIREMENTS

Tax Filing Service must be a comprehensive and systematic procedure for calculating, accruing and filing payroll tax liabilities as they come due.

Based on Borough’s payroll input, the Payroll Service determines tax liabilities and then accrues those liabilities as they occur and provide a three-way reconciliation of all accrued tax funds to assure that the funds are available for deposits and filings are equal to the amounts recorded in the tax system. In addition, the Payroll Service balances these amounts to quarterly and year-to-date values.

To assure that the tax depositing process, which is generally based on a day after pay date, gets completed on time, a system-controlled master schedule shall govern the creation of deposits and filings.

Federal deposits must be electronically filed and the Payroll Service must have the capability to handle all state and local level paper form requirements.

All tax reports must be reconciled to the payroll, and an audit trail produced to show current and accumulated tax activity.

The Payroll Service will be responsible to complete and sign the various returns

The Payroll Service will assume all responsibility for late payments arising from any negligence on their part to make the required payments on time.

Provide W2 forms at year-end. The W2 forms should also provide information for employee such as total shelters, group life, etc.

Quarterly and Year-End Tax Filings to include:

- 941 and WR3- with weeks worked listing
- NJ-927 for unemployment and a complete set of copies of all checks issued.
- Federal deposit receipts, quarterly taxable report, quarterly state listing, quarterly tax liability, spreadsheet showing all incoming and outgoing payments as well as correspondence with any Federal of State agency on the Borough's behalf.
- All FICA/Federal payments; all State (GIT) payments; unemployment payments; tax liability for current taxes due.
- Responsibility of providing backup documentation for all quarterly and year-end report (941s etc.)

The Payroll Service must take full responsibility for timely filings and payments and assume full responsibility for the payment of any interest or penalties caused by their errors.

PAYROLL SYSTEM CONCLUSION

The system must consist of a formalized payroll package that will meet all requirements specified by the Borough. At the same time, the payroll package must provide the flexibility required to satisfy the payroll needs unique to the Borough of Fanwood and also payroll needs normally association with a Borough's size.

BUDGET/GENERAL LEDGER INTERFACE SYSTEM

May include:

- Labor cost accounting system must be able to display State of NJ full accounting numbers. Report must also be able to have multi-level breaks (minimum of 4). In addition, this report must be able to provide a sub-total on each level, as well as providing total and grant total on each subject level.
- Automatic distribution directly from the payroll system
- Ability to present totals for each State of New Jersey Chart of Accounts department, as well as, the detailed breakdown of each department
- Ability to provide both fixed and variable distribution of salaries and wages into the Budget/General Ledger, on a pay period basis.
- Ability to provide an interface for Payroll posting to budget/general ledger.

The Company must be able to provide the following services without exception. These accounting functions are integrated with the standard payroll output.

Third Party Vendor Agency Payments:

- The Payroll Service will determine the amount of the Vendor payment to be submitted. The payment will then be issued to the Vendor from the Payroll Service.

- The Payroll Service will be responsible to prove each deduction listing per employee to the invoice received from the Vendor
- The Payroll Service will be responsible to answer any questions from the Vendors, and if required, they will send letters to the Vendor for clarification of the questions, with copies to the Borough.
- The Payroll Service will be responsible to send to the Borough a copy of the check and Vendor deduction listing. This is intended to be used as verification of payment in reference to the Borough's back-up audit trail.
- The Payroll Service will be responsible to provide a Trial Balance Report that allows Borough to audit monies transferred to service bureau for tax payments, agency payments and pension payments. This report will list when payments are made (with backup documentation) either by check, TEPS, or wire transfers. The report shows each pay period total monies spent with balance remaining with service bureau on a monthly summary and must be provided either monthly or quarterly.
- Third party agency payments made by ACH, check or wire transfers are required to be issued for all payroll related deductions. All per pay period payroll payments must be paid within 72 hours or required due date. Prior to issuing payments all employee deductions must be verified with invoice from Borough's vendors with all corrections (changes) noted on appropriate forms with backup documentation provided to Borough.

Account Reconciliation:

Account reconciliation of payroll and agency checking accounts. This requires Payroll Service to reconcile both accounts, checkbook balance and prove to payroll with approved reports showing all outstanding checks or deposits and audit all payroll void and manual checks entered by Borough.

Complete Audited Pension Filing & Pension Service:

- The Payroll Service will be responsible to have the knowledge of how the State Pension is calculated, and who is eligible
- The Payroll Service will be responsible to prove the quarterly Pension deductions per employee to State's Pension Report.
- The Payroll Service will be responsible to issue monthly payment for all New Jersey State pension deductions (PERS & P&F). The monthly payment should include Pension, Pension Back Deductions, Pension Loans, Arrears, Contributory Insurance, Supplemental Annuity and (State) Tax Shelters.
- The Payroll Service will be responsible to physically enter the State's Pension data, in its entirety, via the State's "Internet-based Report of Contributions" through the Employer Pension and Benefit Information Connection (EPIC). This includes completing the projected salary, noting all discrepancies, and comment sections.
- Provide proof of verification of the employee's quarterly contribution to the State required payment
- Once completed, the Payroll Service will be responsible to demonstrate how the pertinent data is generated, and then verified.
- The Payroll Service will be responsible to send back to the Borough a list containing a minimum of twelve (12) clients to whom they have been providing the above-described Pension Service. In addition, the Payroll Service shall demonstrate they have been providing this service to these 12 clients on a continuous basis, for a minimum of five (5) years.

Payroll Conversion Scope

- The Payroll Service will be responsible to convert the employee general information and present the information to you
- The Payroll Service will be responsible to convert the year-to-date figures from your master file to our system and prove all entries.
- The Payroll Service will be responsible to furnish a minimum of two months parallel payroll runs (four payrolls) proved to your current service during the months of conversion
- The Payroll Service will be responsible to
 - Establish a database
 - Convert the year-to-date figures
 - Provide two months training of the staff in Payroll & Accounting, both on site and in the Payroll Service s facility, if required, beginning with the first live payroll run.

REFERENCES

- The Payroll Service will provide a list of four (4) references in the Government sector to which they have been providing payroll, agency and accounting services.
- The Payroll Service shall demonstrate that they have been providing this service on a continuous basis, for a minimum of five (5) years.

Borough of Fanwood Automated Payroll Services Quote

Company Name: _____

Service	Unit (Frequency of charge)	Price
Base Charge		
Payroll Delivery		
New Hires		
Additional Details		
Pays – 1 st 50		
Pays – 51 +		
GTL Automated Calculation		
Check Signing		
Tax Service		
Special Accumulators on Stub		
Labor Distribution		
Check Stuffing		
Payroll Quickview		
Bond Report Purchases		
P/R Recap Report		
Payroll Audit Report		
CD Payroll Reports		
Checkview Processing Fee		
Full Service Direct Deposit		
Personnel Roster		
Direct Deposit		
External Paydata Interface		
Data Exchange fee		
POV Net fee		
Reporting Fee		
Quarterly Earnings Reports	Quarterly	
A01 Quarterly Breakdown Report	Quarterly	
Goal's Limits & Remaining Balances		

Year-end Information, Tax Reporting, W2s	Annual	
Annual Earnings Records	Annual	
Annual CD Earnings Records	Annual	
Stuffing W-2s	Annual	
W2 data Transmittal	Annual	
W2 Delivery to Borough	Annual	

Additional unlisted items:

If more space is required, feel free to add a sheet.

Total Per Payroll Quote: _____
Written in numbers

Written in words

Total Annual Quote: _____
Written in numbers

Written in words

Company Name: _____

Contact Name: _____

Signature: _____ Date: _____

Mailing Address: _____

Phone: _____ Fax: _____ E-mail: _____