



# MAGNOLIA PUBLIC SCHOOLS

## Board Of Directors

---

Board Agenda Item #	III D
Date:	November 12, 2015
To:	Board of Directors
From:	Terri Boatman, Director of Human Resources
Staff Lead:	Oswaldo Diaz, Chief Financial Officer
RE:	Approval of the Paycom Contract

### Proposed Board Recommendation

I move that the Board to approve the purchase and use of the Paycom system as an HRIS/Time Reporting System.

### Background

Although Coolsis has been modified to store employee information, it does not function as a proper HRIS/Time Reporting System that provides access to accurate information, ease in storing employee data, verifiable and accurate time cards or employee indicative data such as start dates and ending dates of employee, pay changes, or transfers.

In addition we are out of compliance with the following requirements per CA and federal law:

- According to State of CA, every employer shall keep accurate information with respect to each employee including the following:
  - (1) Full name, home address, occupation and social security number.
  - (2) Birth date, if under 18 years, and designation as a minor.
  - (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals and total daily hours worked shall also be recorded. Meal periods during which operations cease and authorized rest periods need not be recorded.
  - (4) Total wages paid each payroll period, including value of board, lodging, or other compensation actually furnished to the employee.
  - (5) Total hours worked in the payroll period and applicable rates of pay. This information shall be made readily available to the employee upon reasonable request.
  - (6) When a piece rate or incentive plan is in operation, piece rates or an explanation of the incentive plan formula shall be provided to employees. An accurate production record shall be maintained by the employer.



# MAGNOLIA PUBLIC SCHOOLS

13950 Milton Ave. 200B Westminster, CA 92683

P: (714) 892-5066 F: (714) 362-9588

---

(B) Every employer shall semimonthly or at the time of each payment of wages furnish each employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately, an itemized statement in writing showing: (1) all deductions; (2) the inclusive dates of the period for which the employee is paid; (3) the name of the employee or the employee's social security number; and (4) the name of the employer, provided all deductions made on written orders of the employee may be aggregated and shown as one item.

(C) All required records shall be in the English language and in ink or other indelible form, properly dated, showing month, day and year, and shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. An employee's records shall be available for inspection by the employee upon reasonable request.

(D) Clocks shall be provided in all major work areas or within reasonable distance thereto insofar as practicable.

- **Meal and Rest Periods**

Our current system does not allow for us to track if hourly employees are taking their required meal periods as required by the CA State Law before the end of the 5<sup>th</sup> hours. We have no system to pay meal time penalties if this did not occur.

- **Time keeping Policy for CA:**

We are to provide a system which employees can verify the hours worked. (See attached)

- **Paid Time Off**

We don't have a system to track accurate PTO usage and accruals.

- **Recruiting**

No formal system in place to tracking our recruiting efforts. Candidates interviewed and the disposition.

No application method

- **I-9 and Immigration**

Current processes allows for errors in the creation of I9's.

No formal system to purge documents as required by law

No system to track expiration dates of work authorizations



# MAGNOLIA PUBLIC SCHOOLS

13950 Milton Ave. 200B Westminister, CA 92683

P: (714) 892-5066 F: (714) 362-9588

---

- **Other Compliance Errors**

No easy, accurate method to track expired credentials or TB Tests  
No way to ensure a start date occurs after the receipt of fingerprints.

A RFP was placed asking companies to provide quotes and summary of services. Three proposals were returned:

Paycom  
PeopleStrategy  
Helios

We also examined other systems including Zenefits, and ADP.

We have selected Paycom as it has the full functionality that we need to manage all aspects of the employee cycle from talent acquisitions, onboarding, employee portals, compliance, and time and attendance. Paycom will provide geo-coded/IP specific timeclock capabilities so that we can monitor and track employee time and attendance as well as usage of paid time off.

We feel that Paycom is the best mid-size enterprise system which will support the organization as we grow, ensure compliance and maintain employee records.

## Budget Implications

The financial cost of selecting Paycom versus our current payroll company is \$42,000 this year, but drops in future years after the implementation upfront costs of \$22,500. This is an average annual increase in payroll cost of less than \$3,500 and allows us to become completely compliant with all requirements. EdTec will continue to process our payroll checks with no contract change required. Our contract with EdTec did not include HRIS.

## Name of Staff Originator:

Oswaldo Diaz, Chief Financial Officer

## Attachments

Grid that tracks the components of each system.

**HRIS System Comparison**

Componet	Paycom		PeopleStrategy		Helios	
	Y/N	Notes	Y/N	Notes	Y/N	Notes
Applicant Tracking	Yes	Included in pricing	Yes		No	Somewhat available
Integration with payroll system	Yes	Included in pricing	Yes		No	Need a secondary vendor
Performance Management and the ability to create and track evaluations	YES	Included in pricing	No	Available, but not included in price	No	
Timekeeping and attendance tracking	Yes	Included in pricing	Yes		No	
Payroll processing	Yes	Included in pricing	Yes		No	
Onboarding platform which includes e-signature of relevant documents	Yes	Included in pricing	Yes		Yes	Includes new hire document
I9 completion and storage per federal guidelines	Yes	Included in pricing	Yes	Included Everify	No	
Reporting capabilities	Yes	Included in pricing	Yes		Yes	
Applicant tracking and talent acquisition	Yes	Included in pricing	Yes		No	
Job and pay history	Yes	Included in pricing	Yes		Yes	
Tracking of paid time off banks and approvias	Yes	Included in pricing	Yes		Yes	
Linkage to benefits platform	Yes	Included in pricing	No	Available, but not included in price	No	
Electronic form processing	Yes	Included in pricing	Yes		Yes	
ACA reporting	Yes	Included in pricing	No		No	
Training Management	Yes	Included in pricing	No		No	
Integration /interface with general ledger	Yes	Included in pricing	Yes		No	
Tracking of Credentials	Yes	Included in pricing	Yes		Yes	Credentials are automatically tracked and the data is uploaded from the CTC site. Reminders are sent.
Tracking of TB testings	Yes	Included in pricing	Yes		Yes	Results are tracked

Pricing	Annual	Initial	Annual	Initial	Annual	Initial
		\$97,081.68	\$22,500.00	\$72,795.00	7,995.00	\$19,960.00

Able to Meet January 1 Implementation	Yes	Yes	Yes
---------------------------------------	-----	-----	-----