



# MSD HUMAN RESOURCES AND PAYROLL SYSTEM



## BACKGROUND

- **BLUF:** Seek Board approval of the Paylocity contract
- In 2023 the MSD started with the current HR and Payroll systems
- As a result, the MSD seeks a singular and highly integrated solution

## PAYLOCITY

- Highly integrated HR and Payroll system
- Communicates with The Hub International
- Anticipated “go-live” January 1, 2025
- There will be challenges

## REQUEST FOR PROPOSAL

- MSD assembled a cross-functional team
- Budgeted:
  - \$7,500 Transition
  - \$22,500 First-year cost
  - \$30,000 Total budget (through June 30, 2026)
- Three-staged process
  - Screening Criteria (four offerors)
  - Capability Criteria & Demonstration (three offerors)
  - Costs (one offeror)

## CONTRACT

- Current systems’ costs
  - HR costs \$17.06 per EE/month
  - Payroll services cost \$1,002 per month
  - Current costs are: \$2,401 per month, or \$28,812 per year
- Paylocity’s cost: \$22.32 EE/month (with fees)
- One-time “transition” fees: \$9,500
- Annual (estimated) Costs: \$29,994
- Cost through end of Fiscal Year 2026: \$24,497
  - Includes an increased number of employees
- Total contract cost (estimated): \$69,489
- Seek Board approval of the Paylocity contract