CITY COUNCIL AGENDA REPORT

MEETING DATE: December 6, 2011 ITEM NUMBER: CC-10

SUBJECT: PAYROLL SERVICES REQUEST FOR PROPOSAL

DATE: NOVEMBER 30, 2011

FROM: OFFICE OF THE CEO

PRESENTATION BY: THOMAS R. HATCH, CEO

FOR FURTHER INFORMATION CONTACT: THOMAS R. HATCH @ (714) 754-5328

RECOMMENDATION:

Staff recommends that the City Council authorize staff to release the Request for Proposal (RFP) for Payroll Services (Attachment 3) based upon the analysis provided by both the Payroll Services Contracting Committee and Finance Department.

BACKGROUND/ANALYSIS:

Council Policy 100-6 provides guidelines for evaluating the potential contracting of on-going City services on a long-term or permanent basis. As set forth in the policy, a committee was formed and comprised of three segments: Project Responsibility, Department Representative and Employee Representative. The committee was tasked with the following:

- Hearing a presentation from department representatives and asking questions about the specific proposal under consideration;
- Working together to outline how to evaluate a comparable City effort to provide the same or similar service;
- Having the project facilitator draft an analysis addressing the available alternatives for service delivery as outlined by the committee; and,
- Determining if outside comparative data would be useful.

On August 29, 2011 the Payroll Services Contracting Committee met to discuss the duties and responsibilities of the Payroll Services program and determine "the available alternatives for service delivery." After hearing a presentation by department staff and asking questions, the Contracting Committee determined the following alternatives for the Payroll Services program:

1. Retain existing service level at existing cost.
2. Retain existing service level at lower cost by reorganization.
3. Contract with private provider
4. Contract with another public entity

On September 8, 2011 and September 15, 2011, the Contracting Committee met to discuss, clarify and finalize the alternatives/options and the draft RFP. The following is an explanation of the attachments.

Attachment 1, a memo from the Contracting Committee to the City CEO Tom Hatch, provides identification and analysis of each alternative and survey information provided by other agencies.

Attachment 2, a memo from the Finance and Information Technology Director Bobby Young to the City CEO Tom Hatch, provides a written evaluation (including pros and cons) of each option addressed by the Contracting Committee.

Attachment 3, the draft RFP for Payroll Services, prepared by the Finance Department and reviewed and finalized by the Contracting Committee.

Based on the attached information it appears that the most viable alternatives are to retain the existing service level but at a lower cost through reorganization or contracting with either a public entity or private company for services. It is difficult to determine which of these alternatives would provide the highest level of service at the lowest cost without issuing an RFP so that appropriate cost analysis and comparisons in level of service can be made.

A few items should be noted with regard to the draft RFP. While we have identified in the draft RFP the current level of expected service, we have done so on the assumption that the Council wishes to retain the existing level of service, whoever provides it. However, the draft also includes a specific request to proposers to identify "innovative and/or creative approaches for providing the service that will maximize efficient, cost-effective operations or increase performance capabilities." This would allow the Council to evaluate either a different level of service, method of delivery, or other alternative that could maintain or enhance service levels at a lower overall cost. The RFP also requests proposers to offer information about hiring existing city employees and possible acquisition of City equipment currently used to perform the service.

Also note, that employees or groups of employees, who wish to submit a proposal in response to the RFP, will be permitted to do so. Staff recommends that employees who wish to submit bids or responses to RFPs as contract providers, should be advised to do so in compliance with the RFP requirements and at the same time as other bidders.

As directed under Council Policy 100-6, the above is an analysis addressing the available alternatives for service delivery as outlined by the Payroll Services Contracting Committee.

ALTERNATIVES CONSIDERED:

The City Council may decide not to release the RFP and direct the CEO to evaluate other alternatives identified by the Payroll Services Contracting Committee.

FISCAL REVIEW:

The fiscal impact for outsourcing the identified City service is unknown at this time. If the City Council directs staff to release the RFP a complete analysis of the proposals and the costs for each will be provided to the City Council at that time.

CONCLUSION:

Staff recommends releasing the RFP for Payroll Services based upon the analysis provided by both the Payroll Services Contracting Committee and the Finance Department.

Thomas R. Hatch
Chief Executive Officer

Tamara S. Letourneau
Interim Assistant Chief Executive Officer

Attachment:	Attachment 1	Contract Committee Analysis Memo
	Attachment 2	Departmental Analysis
	Attachment 3	Draft Request for Proposal

CITY OF COSTA MESA
DEPARTMENT OF ADMINSTRATIVE SERVICES
INTEROFFICE MEMORANDUM

TO: THOMAS R. HATCH, CHIEF EXECUTIVE OFFICER

FROM: TAMMY LETOURNEAU, INTERIM ASSISTANT CEO

DATE: OCTOBER 6, 2011

SUBJECT: PAYROLL CONTRACTING COMMITTEE

Council Policy 100-6, provides guidelines for evaluating the potential contracting of on-going City services on a long-term or permanent basis. As set forth in the policy, a committee should be formed and comprised of three segments: Project Responsibility, Department Representative and Employee Representative. The committee is tasked with the following:

- Hearing a presentation from department representatives and asking questions about the specific proposal under consideration;
- Working together to outline how to evaluate a comparable City effort to provide the same or similar service;
- Having the project facilitator draft analysis addressing the available alternatives for service delivery as outlined by the committee; and,
- Determining if outside comparative data would be useful.

On August 29, 2011 the Payroll Contracting Committee met to discuss the duties and responsibilities of the payroll program and determine "the available alternatives for service delivery". After hearing a presentation about the draft RFP by department staff and asking questions, the Committee determined alternatives for the payroll services.

On September 8, 2011 the Committee met to further discuss and clarify the draft RFP and alternatives/options. On September 15, 2011 the Committee met to further discuss and clarify the draft RFP and alternatives/options.

The following alternatives for contracting payroll services are described below:

1. **Retain existing service level at existing cost.**

   The City currently utilizes Oracle's PeopleSoft HRMS 8.8 for its HR, Benefits, Time&Labor and Payroll functional applications and People Tools 8.42 for technical development and maintenance. In addition, the City utilizes Telestaff for Fire personnel time reporting and scheduling. The City doesn't participate in the Social Security Program and there are several employees that are exempt from Medicare. Employees are paid on Friday on a bi-weekly payroll basis or (26 pay periods each year). The City utilizes over 1,300 labor distribution codes and has 468 Full-Time Employees (FTE) (which includes approximately 230 sworn personnel) and 102 Part-Time Employees (PTE).

Currently, payroll services are provided by in-house staff which consists of one full-time Payroll Coordinator. In addition, two Information Technology positions devote a portion of their time to assist in providing these services as well. Combine, payroll services in the City of Costa Mesa has two (2) full-time equivalent (FTE) employees. The FY 2011-12 budget includes approximately $250,000 for these services (staffing only).

2. **Retain existing service level at lower cost by reorganization.**

   The services are currently being provided through minimum in-house staffing with one-full time employee being responsible for providing this service. However, the Information Technology function is also being considered for outsourcing. Thus, it is possible that the technology component may be contracted out which is discussed further in Alternative #3 below. Because there is only one full-time staff member currently providing this service an in-house reorganization is not a viable option.

3. **Contract with a private provider.**

   The City could contract with a private provider for the same service level of services as currently provided. There are other local government agencies across the country which contract for payroll services. However, an in-house staff member will be needed to interface with the contracting party and provide contract management. As was mentioned above, the Information Technology function is also being considered for outsourcing. Thus, it is possible that the technology component may be contracted out. However, the Committee is mindful that this may not result in a reduction in costs over the current costs.

4. **Contract with another public entity.**

   The City could explore working with another public agency to provide payroll services. However, given the level of complexity and differences in payroll processes, Memorandum of Understanding and specialty pays other public agencies may not be as interested in providing this service to Costa Mesa. Thus, contracting out this service to another public entity may not result in a reduction in costs over the current costs.

As directed under Council Policy 100-6, the above is an analysis addressing the available alternatives for service delivery as outlined by the Payroll Contracting Committee. The Committee has also drafted a Request for Proposal (RFP) should you desire to present this to the City Council.

The Payroll Contract Committee is available should you have any questions or request more information.

Tamara S. Letourneau

Tamara S. Letourneau
Interim Assistant Chief Executive Officer

Information Technology Comparative Data

Respondent	Representative	What is the City's overall population	Number of Employees both full and part time	Number of Employees in the department both full and part time and contract if applicable	Annual department budget
City of Costa Mesa					
City of La Habra	Patton Chu, Deputy Director of IT	60,239	Full Time - 230 Part Time - 220	4 full time and 2 part time. No contract employees	$1.8 million (includes $500,000 of CIP projects that may or may not happen
City of Fountain Valley	Lee Pratt	55, 313	Full Time - 206 Part Time - 45	3 full time no part time. 1 manager and 2 technicians. No part time and no contract	Personnel expense $319,666 Operating Expense $451,500 Capital Replacment $403,752
City of Irvine	Richard Labowitz	225,000	Full Time - 823 Part Time - 722	Contract out Computer support to ACS	Unknown by respondent

November 2011

CITY OF COSTA MESA
DEPARTMENT OF FINANCE
INTEROFFICE MEMORANDUM

TO: TOM HATCH, CHIEF EXECUTIVE OFFIER

FROM: BOBBY YOUNG, FINANCE & I.T. DIRECTOR

DATE: DECEMBER 1, 2011

SUBJECT: *RESPONSES TO THE PAYROLL CONTRACTING COMMITTEE*

The Finance and IT Department have reviewed the options as presented in the Payroll Contracting Committee memo dated 10/6/2011. The following analysis is provided for each option as determined by staff.

1. **Retain existing service level at existing cost.**

Pros – The Payroll Coordinator processes all payroll functions every two weeks, 26 payrolls annually. This position also has the ability to make necessary changes or corrections to payroll checks and reissue checks if required. With the assistance of the Senior Programmer Analyst, staff annually maintains the payroll software for changes in PERS and income tax calculations. Because the City has propriety time keeping programs, staff is able to maintain the programs and make corrections as needed. Maintaining experienced staff and existing service levels will ensure responsiveness to federal and state agencies as well as employees.

Cons – Currently the City has one full time Payroll Coordinator performing all payroll functions on a normal basis. Should this extremely experienced employee leave, the City could have difficulty filling this position on a long term basis. The Finance Department does have 2 other employees trained on the payroll functions in case of an emergency, however this may not be an adequate long term solution.

2. **Retain existing service level at lower cost by reorganization.**

Staff agrees with the Committee's assessment that with only one full time position performing all the payroll functions, reorganization is not a viable option.

3. **Contract with a private provider.**

Pros – Since the City has only one full time position providing the service on a normal basis, contracting with a private provider may lessen concern in the event of an emergency or change of personnel. Should the private provider operate the payroll functions offsite, it may allow the City to evaluate its current HR software package and determine if a smaller, less expensive system is available.

Cons – As mentioned by the Committee, depending on the requirements of a private provider (if the City is required to maintain an employee to assist the private provider) costs may not be reduced compared to current costs.

4. Contract with another public entity.

Pros – Combining services with other entities may provide for a reduction of personnel, software and hardware costs.

Cons – The City has not yet contacted other agencies to determine if there is an interest in combining payroll services. Long term staffing and staffing during emergencies may still be a concern.

BOBBY YOUNG
Finance & I.T. Director

REQUEST FOR PROPOSAL

FOR

MUNICIPAL PAYROLL SERVICES

Costa Mesa

Finance Department

CITY OF COSTA MESA

Released on _____, 2011

MUNICIPAL PAYROLL SERVICES

REQUEST FOR PROPOSAL (RFP)

Dear Proposers:

The City of Costa Mesa (hereinafter referred to as the "City") is requesting proposals from a qualified public and/or private firm, for professional and technical services to provide Municipal Payroll Services. The term will be for three (3) years with two (2) one-year options to renew. Longer initial and extended terms will be considered depending upon the Proposer's submission regarding use of City facilities and equipment.

1. BACKGROUND

On March 1, 2011, the City Council agreed to move forward with a comprehensive review and analysis of outsourcing 18 City services, one of which is Municipal Payroll Services, as outlined in the *Outsourcing of City Services Council Agenda Report*, dated February 24, 2011.

The City of Costa Mesa is a general law city, which operates under the council/manager form of government with a General Fund budget of over $94 million and a total of over $107 million for fiscal year 2010-2011.

The City of Costa Mesa, incorporated in 1953, has an estimated population of 116,479 and has a land area of 16.8 square miles. It is located in the southern coastal area of Orange County, California, and is bordered by the cities of Santa Ana, Newport Beach, Huntington Beach, Fountain Valley and Irvine.

The City is a "full service city" and provides a wide range of services. These services include: police and fire protection; animal control; emergency medical aid; building safety regulation and inspection; street lighting; land use planning and zoning; housing and community development; maintenance and improvement of streets and related structures; traffic safety maintenance and improvement; and full range of recreational and cultural programs.

The City of Costa Mesa is home of the Segerstrom Center for the Arts, Orange County Fairgrounds, South Coast Repertory Theater and the South Coast Plaza Shopping Center, which is the single largest commercial activity center in the City. The volume of sales generated by South Coast Plaza secures its place as the highest volume regional shopping center in the nation.

2. SCHEDULE OF EVENTS

This request for proposal will be governed by the following schedule:

Release of RFP	_____, 2011
Deadline for Written Questions	_____, 2011
Responses to Questions Posted on Web	_____, 2011
Proposals are Due	_____, 2011

Interview (if held)	_____, 2011
Approval of Contract	TBD

All dates are subject to change at the discretion of the City

3. SCOPE OF WORK

I. SUMMARY

The City currently utilizes Oracle's PeopleSoft HRMS 8.8 for its HR, Benefits, Time&Labor and Payroll functional applications and People Tools 8.42 for technical development and maintenance. In addition, the City utilizes Telestaff for Fire personnel time reporting and scheduling. The City does not participate in the Social Security Program and there are several employees that are exempt from Medicare. Employees are paid on Friday on a bi-weekly payroll basis or 26 pay periods each year. The City utilizes over 1,300 labor distribution codes and currently has 468 Full-Time Employees (FTE) (which includes approximately 230 sworn personnel) and 102 Part-Time Employees (PTE).

The City has five major employee groups:

a) Costa Mesa City Employee Association (CMCEA)
b) Costa Mesa Police Management Association (CMPMA)
c) Costa Mesa Police Association (CMPA)
d) Costa Mesa Fire Management Association (CMFMA)
e) Costa Mesa Fire Association (CMFA)

The City also has two "Unrepresented" full-time employee groups (Executive and Confidential).

The Memorandum of Understanding (MOU), Side Letters and Salary Resolutions for each of these major employee groups can be found at:

http://www.ci.costa-mesa.ca.us/CMEmployment.htm

The City's MOUs and Side Letters contain specific information on employees' compensation such as specialty pay (i.e. bilingual, matron, EMD certification, standby, safety shoe allowance, shift assignment, shorthand, longevity, motorcycle assignment, canine assignment, field training officer, hazard, certified flight instructor, fire administration assignment compensation, move up, etc.) and benefits (i.e. holiday, vacation and sick leave accrual banks, etc) that are critical in processing payroll. See **Appendix G.1** for a comprehensive list of the various types of specialty pay.

II. DELIVERABLES

1. The Contactor shall receive electronic timesheets by Monday every other week.
2. The Contractor shall process payroll once every two weeks.
3. The Contactor shall pay every employee by the Friday following the pay period they worked.
4. The Contractor shall ensure all employees are paid in a timely manner for the hours worked in the pay period being processed.

5. The Contractor is responsible for paying all employees accurately and in accordance with the employee's pay rate and time reported on the timesheet, with appropriate deductions.
6. The Contractor is responsible for paying employees any specialty pay **(Appendix G.1)** in accordance with CMCEA, CMFMA, CMFA, CMPA and the CMPMA's Memorandum of Understanding (MOU).
7. The Contractor shall have the capability to implement MOU changes in a timely and accurate manner.
8. The Contractor shall have the capability to process a manual or replacement check upon the request of the City within one business day.
9. The Contractor shall have the capability to issue stop payment and re-issue checks upon the request of the City. The Contractor will monitor checks issued. If the check has not been redeemed after six months from its issue date, it will be considered stale dated.
10. The Contractor shall indicate whether it will have a person on-site at City Hall during normal business hows to deal with employee inquiries, changes, and other issues which need to be dealt with on less than 24 hours. If no on-site person is proposed to be present, the Proposer shall identify how it will address these issues.
11. The Contractor shall **NOT** include the Social Security number of the employee on the Pay advice or Pay check.
12. The Contractor shall implement garnishment withholdings in accordance with court orders.
13. The Contractor shall have the capability to perform electronic direct deposit of payroll checks into an individual's designated account(s).
14. The Contractor shall also have the capability to submit Positive Pay transmittal files to the City's bank for actual paychecks.
15. The Contractor shall have back up operations/plans in the event there is an interruption of services due to unforeseen circumstances (i.e. natural disasters) to ensure employees are paid.
16. The Contractor shall have the capability to make accurate retroactive pay adjustments in a timely manner for either an individual or an entire employee group.
17. The Contractor shall have the capability to define various earnings types including, but not limited to, regular earnings and additional pays, and show these on Pay advice as required by City.
18. The Contractor shall have the capability to define deduction types for benefit premiums, tax withholdings, garnishments, deferred compensation and other deductions, and show these on Pay advice as required by City.
19. The Contractor shall have the capability to maintain different types of payroll accumulator balances the City designates.
20. The Contractor shall have the capability to control the reporting hierarchy of security assigned by each department.
21. The Contractor shall have the capability to maintain different pay groups based on the employees' shared characteristics that facilitate payroll processing because of common requirements.
22. The Contractor shall establish pay calendars that reflect the city's payroll periods, pay dates, and various FLSA periods throughout the year.
23. The Contractor shall have the capability to designate employee holidays for payroll processing.
24. The Contractor shall set up and maintain core payroll tables including, but not limited to:
    a. Organization table
    b. Compensation and earning tables

c. Deduction tables
d. Pay calendar tables
e. Garnishment tables
f. Vendor tables
g. General ledger account code tables
h. Tax tables

Additionally, historical records of any changes to these tables should be maintained.

25. The Contractor shall set up and maintain employee pay data tables including, but not limited to:
    a. Personal data
    b. Job data
    c. Benefits data
    d. Federal and state tax information
    e. General and benefit deductions
    f. Additional pay
    g. Garnishments
    h. Direct deposits

    Additionally, historical records of any changes to these tables should be maintained.
26. The Contractor shall produce necessary reports to monitor the City's payroll processing, to comply with regulatory and tax reporting requirements, and to fit the special needs of the City.
27. The Contractor shall post the expenses and liabilities incurred from a pay run to the City's General Ledger application.
28. The Contractor shall use an account coding structure as established by the City. The coding enables the City to track payroll and benefit costs in its financial system general ledger. The Contractor will implement an interface between the Payroll System and the City's General Ledger, currently running as part of Oracle PeopleSoft Financials.
29. If the Contractor is presenting an integrated Benefits/Payroll system, any changes made in the Benefits system should be immediately available to the Payroll System. If not integrated, then the payroll system should have the capability of interfacing with the City's existing benefits module.
30. The Contractor shall offer integrated Leave Management/Payroll capability, or integrate with the City's existing Leave Management system.
31. The Contractor shall have the capability to offer electronic timesheets, or accept Time Entry and Processing from the City's existing system.
32. If the Contractor is presenting an Integrated Time Entry/Payroll system, the Time Entry component should have the capability of incorporating and modifying the City's compensation, task and exception rules to reported and scheduled time.
33. If the Contractor does not present an integrated Time Entry/Payroll system, then: The Contractor shall integrate the City's existing Time&Labor system with the Payroll system which may entail mapping time reporting codes to the payroll system's earnings codes, and other configuration requirements. Some of these requirements are as follows:
    A. Maintain Time&Labor core tables including:
    - Compensatory time off plans;
    - Time periods and calendars;
    - Time Reporting Codes (TRCs) and (TRC) Programs;

- Define work schedules. This includes creating shifts, defining workdays, creating schedule templates, creating schedule definitions, and building schedule calendars;
- Creating time and labor rules for processing time and group rules in rule programs;
- Set up time reporters. This includes enrolling time reporters in the Time&Labor system, and assigning time reporters to taskgroups and workgroups.

B. The Contractor shall validate instances of reported time, and generate payable time. The validations should include Compensatory Time, Leave Time, Time Reporting Code, Tasks and Time Reporter Status.

C. The Contractor shall verify that changes, either system- or user-generated, do not negatively affect the system or create errors related to reported or payable time.

D. The Contractor shall have the capability to allow employees and managers access to the employee's online timesheet, and view the date and time their timesheets were approved/submitted.

E. The Contractor shall maintain the online timesheet security designated by each department.

34. The Contractor shall have the capability to summarize the payable time entries. Summarization consists primarily of totaling reported hours, units, or amounts at the earnings code or task code level.
35. The Contractor shall utilize the Labor Distribution process that is invoked in Time&Labor. The Labor Distribution process attaches the costs calculated by the payroll system to the corresponding payable time entries in Time&Labor.
36. The Contractor shall provide the City contact information on technical and operational support.
37. The Contractor shall detail response time guarantees and policy on critical payroll days.
38. The Contractor shall provide documentation for <u>all</u> user tasks, including, but not limited to:
    - Processing table setup and audit procedures;
    - Employee time-entry;
    - Supervisor time review and approval;
    - Time and labor processing;
    - Payroll processing;
    - Audit and reporting;
    - Leave accrual processing and reporting;
    - General Ledger interface.
39. The Contractor shall detail on-site and online (browser-based) user training capabilities, both during implementation and when in production.
40. Because the Proposer will have access to confidential personnel information, including records regarding Peace Officers, and will have access to the City's computer system to perform the work required, all staff involved with this contract will likely have to be DEPARTMENT OF JUSTICE/CLETS certified, and pass an extensive background check and a Polygraph test prior to employment.

III. <u>CURRENT PAYROLL PROCESSING METHODOLOGY</u>

For purposes of overview, the following is a schedule of our current payroll processing methodology utilized by our Payroll Coordinator:

WEEKLY PROCESSES (On-Cycle)

- **MONDAY**
  - **TIME ENTRY**
    - Electronic Time Sheets (browser-based customized system utilizing Oracle PeopleSoft PeopleTools) are used for all Employees except Fire Fighters, which use Telestaff
    - The City reports hours on an Exception based reporting, except for certain Sworn Fire personnel, Part-time employees and a few positions that are grant funded
    - List of time entry codes **(see Appendix G.2)**
    - Hours must be electronically approved by a designated Supervisor before being submitted on Monday; The system must have the capability to control the reporting hierarchy security assigned by each department
    - Employees enter their exception hours into the electronic time sheet system via their computer; the Time Reporting Codes (TRC) available to the employees should differentiate between working groups. The system should have the capability to enter pre-assigned 'default' TRCs
    - Designated department staff will enter hours for employees that do not have access to a computer (i.e. part-time recreation employees)
    - Timesheets cannot be altered or changed by the employee or supervisor once the employee and supervisor submits the timesheet
  - **TIME REVIEW AND ADJUSTMENT**
    - Payroll Coordinator audits electronic timesheets and has the capability to make necessary adjustments or corrections
    - Load online timesheet to Rapid Time
    - Release electronic timesheet for next payroll
    - Load Fire data from TeleStaff

- **TUESDAY**
  - Run Time&Labor and Payroll system processes, which include:
    - Longevity update
    - Vacation leave plan update
    - Fire accrual update
    - Time&Labor data verification and adjustment
    - Time Administration processes for Exception and Positive Groups which
      - Apply Time&Labor rules created to accomplish the City's business processes
      - Update comp time balance

        - Generate payable data
    - Time and labor processes which include many customized programs:
        - FLSA Pre-processing
        - Comp Time Bank Update
        - Comp Time Payoff
    - Batch Approval of Time&Labor Data
    - Load Time&Labor Data to Payroll
    - Preliminary Pay Calculation

- **WEDNESDAY**
    - Run payroll system processes (standard and customized), which include:
        - FLSA processing
        - Leave adjustments/accruals (sick, vacation, holiday, general)
        - CalPERS deduction calculations
        - Garnishment calculations
        - Payroll calculation and confirmation
    - Upload Direct Deposit ACH and Positive Pay file to Bank
    - Wire funds to the bank for Friday's payroll

- **THURSDAY**
    - Print Payroll Reports **(see Appendix G.3)**;
    - Print Payroll checks and advices for selected employees
    - Email pay advices to employees
    - Print various reports for payment through Accounts Payable
        - CMCEA, CMPMA, CMPA, CMFMA and CMFA
        - Community Health Charities
        - Orange County United Way
        - Costa Mesa Executive Club
        - PERS Long-Term Care
        - Garnishments (some are wire transferred to the US Treasury by 10 am and the others are mailed)
    - Upload Reports with Plan Administrator and wire transfers money for:
        - Nationwide (Deferred Compensation Administrator) detailed reports by employee name, ID,
        - California 457 (Deferred Compensation Administrator) detailed reports
        - ICMA (401 Plan)
    - Generation of direct deposit advices and paper checks done on Thursday before noon

- **FRIDAY**
    - Tax deposit summary for both, federal and state including off cycle
    - Provide report for wire transfer for deferred plans and 401A

- Paycheck adjustments (if needed)
- Record, audit and mail garnishment checks
- Prepare report for employee's earnings over $6,000
- Send membership reports to all City's recognized associations (CMPA, CMFA, CMCEA, CMPMG, CMFMA and Executive Club) to Accounts Payable for payment of membership dues
- Send most current leave accrual reports to Telecommunications Supervisor and Records Supervisor
- Send other deduction reports to Accounts Payable for payment (i.e. United Way, Community Health Charities, Credit Union, etc.)

WEEKLY PROCESSES (Off-Cycle)

- Update the payroll system regarding:
  - New employees and terminations (retirement and separations)
  - Military leave paperwork
  - W-4's and DE 4's
  - Direct deposit changes
  - General deduction changes
- Process retroactive checks
- Process garnishments
- CalPERS reporting
- PARS reporting
- ICMA (term, hires, reporting)
- Paycheck adjustments
- Monitor employee's catastrophic hours donation
- Time cards adjustments
- Leave bank adjustments
- Adjust 4850 time (Sworn officers disability)
- Consultations with employees on retirement, CalPERS benefits, separation, leave banks
- Process final paychecks
- Updates to the PeopleSoft (MOU and Side Letter changes)
- Process EDD reporting
- Association reporting
- Leave accrual balances reporting

MONTHLY

- EDD reporting for payroll including 12th of the month reporting electronically

QUARTERLY

- Federal and State Quarterly tax reporting
- EDD quarterly reporting Multiple Worksite Report BLS 3020

ANNUALLY

- Zero out Fire Comp banks
- Census reporting
- Review and Adjustment to Employees Earnings Distributions
- (If benefits added) Confirm Open Enrollment changes to Base Benefit and Payroll data

CALENDAR YEAR-END REPORTING

- W-2's
  - Adjustments of taxable gross earnings for all sworn personnel who were pre-approved for "4850" time off by the City's worker's compensation company (working together with City's Risk Management Department) including 1st through 4th quarter adjustments for the year, review and audit all discrepancies
  - Adjust prior quarters taxable earnings when necessary
  - Contact vendors for information and process W-2's for third party sick (past employee's)
  - Manual adjustments for City's third party sick (past employee's)
  - Calculate Auto Allowance for executives using City vehicles
  - Audit, balance and report yearly Federal and State reporting
- Run year-end reports

4. PROPOSAL FORMAT GUIDELINES

Interested entities or contractors are to provide the City of Costa Mesa with a thorough proposal using the following guidelines:

Proposal should be typed and should contain no more than 20 typed pages using a 12-point font size, including transmittal letter and resumes of key people, but excluding Index/Table of Contents, tables, charts, and graphic exhibits. Each proposal will adhere to the following order and content of sections. Proposal should be straightforward, concise and provide "layman" explanations of technical terms that are used. Emphasis should be concentrated on conforming to the RFP instructions, responding to the RFP requirements, and on providing a complete and clear description of the offer. Proposals which appear unrealistic in terms of technical commitments, lack of technical competence or are indicative of failure to comprehend the complexity and risk of any contract awarded under this RFP, may be rejected. The following proposal sections are to be included in the Proposer's response:

- **Vendor Application Form and Cover Letter**

Complete Appendix A, "Request for Proposal-Vendor Application Form and Mandatory Proposal Questionnaire" and attach this form to the cover letter. A cover letter, not to exceed three pages in length, should summarize key elements of the proposal. An individual authorized to bind the consultant must sign the letter. The letter must stipulate that the

proposal price will be valid for a period of at least 180 days. Indicate the address and telephone number of the contractor's office located nearest to Costa Mesa, California and the office from which the project will be managed.

- **Background and Project Summary Section**

The Background and Project Summary Section should describe your understanding of the City, the work to be done, and the objectives to be accomplished. Refer to Scope of Work of this RFP.

- **Methodology Section**

Provide a detailed description of the approach and methodology to be used to accomplish the Scope of Work of this RFP. The Methodology Section should include:

1. An implementation plan that describes in detail (i) the methods, including controls by which your firm or entity manages projects of the type sought by this RFP; (ii) methodology for soliciting and documenting views of internal and external stakeholders; (iii) and any other project management or implementation strategies or techniques that the respondent intends to employ in carrying out the work.

2. Detailed description of efforts your firm or entity will undertake to achieve client satisfaction and to satisfy the requirements of the "Scope of Work" section.

3. Detailed project schedule, identifying all tasks and deliverables to be performed, durations for each task, and overall time of completion, including a complete transition plan. Include your plan to deal with fluctuation in service needs and any associated price adjustments.

4. Detailed description of specific tasks you will require from City staff. Explain what the respective roles of City staff and your staff would be to complete the tasks specified in the Scope of Work.

5. Proposers are encouraged to provide additional innovative and/or creative approaches for providing the service that will maximize efficient, cost-effective operations or increased performance capabilities. In addition, the City will consider proposals that offer alternative service delivery means and methods for the services desired.

6. Firms and individuals wishing to be considered shall include in their submissions the steps they will, if selected, implement and adhere to for the recruitment, hiring and retention of former employees of the City who have been or may be displaced due to layoff or outsourcing of functions and services formerly provided by the City.

7. Proposers are also requested to identify any City owned facilities or property which Proposer would propose to use or lease, purchase, or rent from the City in connection with the services to be performed, including information about the terms of any proposed lease, purchase or use of such equipment and facilities, and how this proposed structure affects the overall cost proposal to the City

- **Staffing**

Provide a list of personnel who will be working on this project and indicate the functions that each will perform and anticipated hours of service of each individual.[1] Include a resume for each designated individual.

Upon award and during the contract period, if the contractor chooses to assign different personnel to the project, the Contractor must submit their names and qualifications including information listed above to the City for approval before they begin work.

- **Qualifications**

The information requested in this section should describe the qualifications of the firm or entity, key staff and sub-contractors performing projects within the past five years that are similar in size and scope to demonstrate competence to perform these services. Information shall include:

Names of key staff that participated on named projects and their specific responsibilities with respect to this scope of work.

A summary of your firm's or entity's demonstrated capability, including length of time that your firm has provided the services being requested in this Request for Proposal.

For private Proposers, provide at least three references that received similar services from your firm. The City of Costa Mesa reserves the right to contact any of the organizations or individuals listed. Information provided shall include:

- Client Name
- Project Description
- Project start and end dates
- Client project manager name, telephone number, and e-mail address.

- **Financial Capacity**

Provide the Proposer's latest audited financial statement or other pertinent information such as internal unaudited financial statements and financial references to allow the City to reasonably formulate a determination about the financial capacity of the Proposer. Describe any administrative proceedings, claims, lawsuits, or other exposures pending against the Proposer.

- **Fee Proposal**

All Proposers are required to use the form in Appendix D to be submitted with their proposal. Pricing instructions should be clearly defined to ensure fees proposed can be compared and evaluated. Proposals shall be valid for a minimum of 180 days following submission.

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[1] Hourly rates for the proposed personnel shall be set forth on Appendix D.

- **Disclosure**

Please disclose any and all past or current business and personal relationships with any current Costa Mesa elected official, appointed official, City employee, or family member of any current Costa Mesa elected official, appointed official, or City employee. ***Any past or current business relationship may not disqualify the firm from consideration.***

- **Sample Agreement**

The firm selected by the City will be required to execute an Agreement for Services (Agreement) with the City. The form of the Agreement is enclosed as Appendix **B, but may be modified to suit the specific services and needs of the City. If a Proposer has any exceptions or conditions to the Agreement, these must be submitted for consideration with the proposal. Otherwise, the Proposer will be deemed to have accepted the form of Agreement**. See Section 13, below.

- **Checklist of Forms to Accompany Proposal**

As a convenience to Proposers, following is a list of the forms, included as appendix to this RFP, which should be included with proposals

(1) Vendor Application Form and Mandatory Proposal Questionnaire

(2) Ex Parte Communications Certificate

(2) Price Proposal Form

(3) Disclosure of Government Positions

(4) Disqualifications Questionnaire

5. PROCESS FOR SUBMITTING PROPOSALS

- **Content of Proposal**

The proposal must be submitted using the format as indicated in the proposal format guidelines.

- **Preparation of Proposal**

Each proposal shall be prepared simply and economically, avoiding the use of elaborate promotional material beyond those sufficient to provide a complete, accurate and reliable presentation.

- **Number of Proposals**

Submit one original, Five (5) hard copies plus one disk copy of your proposal in sufficient detail to allow for thorough evaluation and comparative analysis. In the event of a conflict between the original and any hard copy or disk copy, the original shall control.

- **Submission of Proposals**

Complete written proposals must be submitted in sealed envelopes marked and received no later than 4:00 p.m. (P.S.T) on_____, 2011 to the address below. Proposals will not be accepted after this deadline. Faxed or e-mailed proposals will not be accepted.

Kimberly Hall Barlow

Jones & Mayer

City Attorneys. City of Costa Mesa

Fullerton, CA 92835

RE: Municipal Payroll Services

- **Inquiries**

Questions about this RFP must be directed in writing, via e-mail to:

Richard Amadril, RFP Facilitator

rick.amadril@costamesaca.gov

The City reserves the right to amend or supplement this RFP prior to the proposal due date. All amendments, responses to questions received, and additional information will be posted to the Costa Mesa Procurement Registry, Costa Mesa - Official City Web Site - Business - Bids & RFP's; Proposers should check this web page daily for new information. The City will endeavor to answer all written questions timely received no later than_____, 2011. The City reserves the right not to answer all questions.

From the date that this RFP is issued until a firm or entity is selected and the selection is announced, firms are not allowed to communicate outside the process set forth in this RFP with any City employee other than the contracting officer listed above regarding this RFP. The City reserves the right to reject any proposal for violation of this provision. No questions other than written will be accepted, and no response other than written will be binding upon the City.

- **Conditions for Proposal Acceptance**

This RFP does not commit the City to award a contract or to pay any costs incurred for any services. The City, at its sole discretion, reserves the right to accept or reject any or all proposals received as a result of this RFP, to negotiate with any qualified source(s), or to cancel this RFP in part or in its entirety. The City may waive any irregularity in any proposal. All proposals will become the property of the City of Costa Mesa, USA. If any proprietary information is contained in the proposal, it should be clearly identified.

6. EVALUATION CRITERIA

The City's evaluation and selection process will be conducted in accordance with Chapter V, Article 2 of the City's Municipal Code (Code). In accordance with the Code, the lowest

responsible bidder will be determined based on evaluation of qualitative factors in addition to price. At all times during the evaluation process, the following criteria will be used. Sub-criteria are not necessarily listed in order of importance. Additional sub criteria that logically fit within a particular evaluation criteria may also be considered even if not specified below.

1. Qualifications of Entity and Key Personnel-------25%

Includes a firm's ability to provide the requested scope of services, the Proposer's financial capacity, recent experience conducting work of similar scope, complexity, and magnitude for other public agencies of similar size, references.

2. Approach to Providing the Requested Scope of Services-------25%

Includes an understanding of the RFP and of the project's scope of services, knowledge of applicable laws and regulations related to the scope of services.

3. Price Proposal-----25%

Price Proposals will be evaluated on the basis of the Total Estimated Annual Price submitted in Appendix D.

4. Innovative and/or creative approaches to providing the services that provide additional efficiencies or increased performance capabilities. ----25%

7. EVALUATION OF PROPOSALS AND SELECTION PROCESS

In accordance with its Municipal Code, the City will adhere to the following procedures in evaluating proposals. An Evaluation/Selection Committee (Committee), which may include members of the City's staff and possibly one or more outside experts, will screen and review all proposals according to the weighted criteria set forth above. While price is one basic factor for award, it is not the sole consideration.

A. Responsiveness Screening

Proposals will first be screened to ensure responsiveness to the RFP. The City may reject as non-responsive any proposal that does not include the documents required to be submitted by this RFP. At any time during the evaluation process, the City reserves the right to request clarifications or additional information from any or all Proposers regarding their proposals.

B. Initial Proposal Review

The Committee will initially review and score all responsive written proposals based upon the Evaluation Criteria set forth above. The Committee may also contact Proposer's references. Proposals that receive the highest evaluation scores may be invited to the next stage of the evaluation process. The City may reject any proposal in which a Proposer's approach, qualifications, or price is not considered acceptable by the City. An unacceptable proposal is one that would have to be substantially rewritten to make it

acceptable. The City may conclude the evaluation process at this point and recommend award to the lowest responsible bidder. Alternatively, the City may elect to negotiate directly with one or more Proposers to obtain the best result for the City prior to making a recommendation or selection.

C. **Interviews, Reference Checks, Revised Proposals, Discussions**

Following the initial screening and review of proposals, the Proposers included in this stage of the evaluation process may be invited to participate in an oral interview. Interviews, if held, are tentatively scheduled for_____, 2011 and will be conducted at City of Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, CA 92626. This date is subject to change. The individual(s) from Proposer's firm or entity that will be directly responsible for carrying out the contract, if awarded, should be present at the oral interview. The oral interview may, but is not required to, use a written question/answer format for the purpose of clarifying the intent of any portions of the proposal.

In addition to conducting an oral interview, the City may during this stage of the evaluation process also contact and evaluate the Proposer's references, contact any Proposer to clarify any response or request revised or additional information, contact any current users of a Proposer's services, solicit information from any available source concerning any aspect of a proposal, and seek and review any other information deemed pertinent to the evaluation process.

Following conclusion of this stage of the evaluation process, the Committee will again rank all Proposers according to the evaluation criteria set forth above. The Committee may conclude the evaluation process at this point, and make a recommendation for award, or it may request Best and Final Offers from Proposers. The City may accept the proposal or negotiate the terms and conditions of the agreement with the highest ranked firm, which shall be determined to be the lowest responsible bidder. The City may recommend award without Best and Final Offers, so Proposers should include their best proposal with their initial submission.

Recommendation for award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing Proposers unless an agreement is reached. If contract negotiations cannot be concluded successfully within a time period determined by the City, the City may terminate negotiations and commence negotiations with the next highest scoring Proposer or withdraw the RFP.

8. PROTEST PROCEDURES

Failure to comply with the rules set forth herein may result in rejection of the protest. Protests based upon restrictive specifications or alleged improprieties in the proposal procedure which are apparent or reasonably should have been discovered prior to receipt of proposals shall be filed in writing with the RFP Facilitator at least 10 calendar days prior to the deadline for receipt of proposals. The protest must clearly specify in writing the grounds and evidence on which the protest is based.

Protests based upon alleged improprieties that are not apparent or which could not reasonably have been discovered prior to submission date of the proposals, such as disputes over the staff

recommendation for contract award, shall be submitted in writing to the RFP Facilitator, within forty-eight hours from receipt of the notice from the City advising of staff's recommendation for award of contract. The protest must clearly specify in writing the grounds and evidence on which the protest is based. The RFP Facilitator will respond to the protest in writing at least three days prior to the meeting at which staff's recommendation to the City Council will be considered. Should Proposer decide to appeal the response of the RFP Facilitator, and pursue its protest at the Council meeting, it will notify the RFP Facilitator of its intention at least two days prior to the scheduled meeting.

9. CONFIDENTIALITY

The California Public Records Act (Cal. Govt. Code Sections 6250 et seq.) mandates public access to government records. Therefore, unless information is exempt from disclosure by law, the content of any request for explanation, exception, or substitution, response to this RFP, protest, or any other written communication between the City and Proposer, shall be available to the public. The City intends to release all public portions of the proposals following the evaluation process at such time as a recommendation is made to the City Council.

If Proposer believes any communication contains trade secrets or other proprietary information that the Proposer believes would cause substantial injury to the Proposer's competitive position if disclosed, the Proposer shall request that the City withhold from disclosure the proprietary information by marking each page containing such proprietary information as confidential. Proposer may not designate its entire proposal as confidential nor designate its Price Proposal as confidential.

Submission of a proposal shall indicate that, if Proposer requests that the City withhold from disclosure information identified as confidential, and the City complies with the Proposer's request, Proposer shall assume all responsibility for any challenges resulting from the non-disclosure, indemnify and hold harmless the City from and against all damages (including but not limited to attorney's fees that may be awarded to the party requesting the Proposer information), and pay any and all cost and expenses related to the withholding of Proposer information. Proposer shall not make a claim, sue, or maintain any legal action against the City or its directors, officers, employees, or agents concerning the disclosure, or withholding from disclosure, of any Proposer information. If Proposer does not request that the City withhold from disclosure information identified as confidential, the City shall have no obligation to withhold the information from disclosure and may release the information sought without any liability to the City.

10. EX PARTE COMMUNICATIONS

Proposers and Proposers' representatives should not communicate with the City Council members about this RFP. In addition, Proposers and Proposers' representatives should not communicate outside the procedures set forth in this RFP with an officer, employee or agent of the City, including any member of the evaluation panel, with the exception of the RFP Facilitator, regarding this RFP until after Contract Award. Proposers and their representatives are not prohibited, however, from making oral statements or presentations in public to one or more representatives of the City during a public meeting.

A "Proposer" or "Proposer's representative" includes all of the Proposer's employees, officers, directors, consultants and agents, any subcontractors or suppliers listed in the Proposer's proposal, and any individual or entity who has been requested by the Proposer to contact the City on the Proposer's behalf. Proposers shall include the Ex Parte Communications form (Appendix C) with their proposals certifying that they have not had or directed prohibited communications as described in this section.

11. CONFLICT OF INTEREST

The Proposer warrants and represents that it presently has no interest and agrees that it will not acquire any interest which would present a conflict of interest under California Government Code sections 1090, et seq., or sections 87100, et seq., during the performance of services under any Agreement awarded. The Proposer further covenants that it will not knowingly employ any person having such an interest in the performance of any Agreement awarded. Violation of this provision may result in any Agreement awarded being deemed void and unenforceable.

12. DISCLOSURE OF GOVERNMENTAL POSITION

In order to analyze possible conflicts that might prevent a Proposer from acting on behalf of the City, the City requires that all Proposers disclose in their proposals any positions that they hold as directors, officers, or employees of any governmental entity. Additional disclosure may be required prior to contract award or during the term of the contract. Each Proposer shall disclose whether any owner or employee of the firm currently hold positions as elected or appointed officials, directors, officers, or employees of a governmental entity or held such positions in the past twelve months using the attached "Disclosure of Government Positions Form." (See Appendix F.)

13 CONDITIONS TO AGREEMENT, IF ANY.

The selected Proposer will execute an Agreement for Services with the City describing the Scope of Services to be performed, the schedule for completion of the services, compensation, and other pertinent provisions. The contract shall follow the sample form of Agreement provided as Appendix B to this RFP, which may be modified by City. All Proposers are directed to particularly review the indemnification and insurance requirements set forth in the sample Agreement.

The terms of the agreement, including insurance requirements have been mandated by the City and can be modified only if extraordinary circumstances exist. Submittal of a proposal shall be deemed acceptance of all the terms set forth in this RFP and the sample Agreement for Services unless the Proposer includes with its proposal, in writing, any conditions or exceptions requested by the Proposer to the proposed Agreement. In accordance with the Municipal Code, the City may consider the scope and number of conditions in evaluation proposals and determining the lowest responsible bidder.

14. DISQUALIFICATION QUESTIONNAIRE

Proposers shall complete and submit, under penalty of perjury, a standard form of questionnaire inquiring whether a Proposer, any officer of a proposer, or any employee of a Proposer who has a proprietary interest in the Proposer, has ever been disqualified, removed, or otherwise prevented from proposing on, or completing a federal, state, or local government project because

of a violation of law or safety regulation and if so, to explain the circumstances. A proposal may be rejected on the basis of a Proposer, any officer or employee of such Proposer, having been disqualified, removed, or otherwise prevented from proposing on, or completing a federal, state, or local project because of a violation of law or a safety regulation. See Appendix E.

15. STANDARD TERMS AND CONDITIONS

Amendments

The City reserves the right to amend or supplement this RFP prior to the proposal due date. All amendments and additional information will be posted to the Costa Mesa Procurement Registry, Costa Mesa - Official City Web Site - Business - Bids & RFP's; Proposers should check this web page daily for new information.

Cost for Preparing Proposal

The cost for developing the proposal is the sole responsibility of the Proposer. All proposals submitted become the property of the City.

Insurance Requirements

City requires that licensees, lessees, and vendors have an ***approved*** Certificate of Insurance (not a declaration or policy) or proof of legal self-insurance on file with the City for the issuance of a permit or contract. Within ten (10) consecutive calendar days of award of contract, successful Proposer must furnish the City with the Certificates of Insurance proving coverage as specified within Appendix B.

APPENDIX A

REQUEST FOR PROPOSAL

Municipal Payroll Services

VENDOR APPLICATION FORM

TYPE OF APPLICANT: ☐ NEW ☐ CURRENT VENDOR

Legal Contractual Name of Corporation: _____

Contact Person for Agreement: _____

Corporate Mailing Address: _____

City, State and Zip Code: _____

E-Mail Address: _____

Phone: _____ Fax: _____

Contact Person for Proposals: _____

Title: _____ E-Mail Address: _____

Business Telephone: _____ Business Fax: _____

Is your business: (check one)

☐ NON PROFIT CORPORATION ☐ FOR PROFIT CORPORATION

Is your business: (check one)

☐ CORPORATION ☐ LIMITED LIABILITY PARTNERSHIP

☐ INDIVIDUAL ☐ SOLE PROPRIETORSHIP

☐ PARTNERSHIP ☐ UNINCORPORATED ASSOCIATION

Names & Titles of Corporate Board Members

(Also list Names & Titles of persons with written authorization/resolution to sign contracts)

Names	Title	Phone

Federal Tax Identification Number: _____

City of Costa Mesa Business License Number: _____

(If none, you must obtain a Costa Mesa Business License upon award of contract.)

City of Costa Mesa Business License Expiration Date: _____

MANDATORY PROPOSAL QUESTIONNAIRE

PAYROLL PRODUCT PROCESSING FUNCTIONALITY

1. Describe how compensation modeling is handled by your system.
2. Describe how mid-period salary increases/decreases are handled by your system.
3. Describe the process in adding or terminating employees from the payroll system.
4. Describe how your system will enable us to pay multiple earnings/taxes/benefits deductions at different levels on the same check.
5. Describe your approach to multiple positions pay, i.e. current and "acting".
6. Describe how your system recovers deduction amounts not withheld from payroll checks.
7. Describe your system approach to prorated earnings and how they are handled.
8. Describe how your system calculates garnishments on State/Federal rulings including multiple garnishments.
9. Describe situations that would cause down time, and/or reduced functionality, for other application areas when payroll processing.
10. Describe the audit process for each payroll.
11. Describe your system's approach to quarterly and year-end processing.
12. Describe the processes involved in calculating sworn Police officers "4850" time and sworn fire fighters "4850" time for W-2 reporting.
13. Describe your experience in converting sick time to "4850" time in the payroll system and making adjustments to taxable income in the current year and possibly prior years.
14. Describe your experience and processes when implementing MOU changes.
15. Describe your timeline on the correction of an employee pay check.
16. Describe how retroactive pay adjustments are handled for a single employee or an entire employee group (i.e. CMPA). Would the process be different if the retroactive adjustment is back 6 months or more?
17. Describe your experience in calculating FLSA for non-sworn full-time and part-time personnel and sworn Police and Fire personnel. This includes 7-day, 14-day and 28-day FLSA periods. How is FLSA recorded and tracked in the system?
18. Please describe your processes of changing labor distribution codes in the payroll system.
19. Describe how your system could interface with the City's accounting system.
20. Describe how your system accommodates modifications to Employee Benefits, either through Life Status changes or Open Enrollment processing.
21. Will designated City personnel have access to the payroll data to extract reports or for research purposes?
22. The City participates in the California Public Employees' Retirement System (CalPERS) for retirement benefits. Provide your experience in reporting Employee Earnings to CalPERS.
23. Describe your processes to implement changes in the Employee Report when there is a change to the City's benefit plan (i.e. cost sharing or changing benefit tiers).
24. Describe the types of Employee Earnings that are tracked on the CalPERS reports.
25. What tax updates are provided, included and how are they retrieved?
26. Does your system provide/assist with payroll tax reconciliations?
27. Describe the experience you have for applying tax updates for the year end processes.
28. Describe the City's staff involvement and responsibility in the payroll process.

29. Describe your payroll customer service approach and response time guarantees, both during critical payroll processing days and non-critical processing days.

MANDATORY PROPOSAL QUESTIONNAIRE

30. Describe how your budget administration tool assists with effective decisions regarding future compensation/benefits.
31. Please explain if you have a budget interface with your product, its administrative tools for monitoring/adjusting departmental salary budgets.

HUMAN RESOURCES/BENEFITS INFORMATION SYSTEMS REQUIREMENTS

1. Describe the integration of HRIS/HRMS with time and attendance.
2. Describe your HRIS/HRMS functionality. Does the system integrate with payroll?
3. Describe your payroll functionality. Is it integrated with HRIS/HRMS?
4. Describe your integration between Payroll and Benefits.
5. Describe your system approach between Payroll and a third-party Benefits package.
6. (If benefits added) Describe any Employee Benefit self-serve functionality you may offer. For example, could employees view current benefit elections, employer contributions, enrolled beneficiaries and/or dependents, COBRA qualifying events and accrual balances?
7. (If benefits added) Describe any Electronic Open Enrollment functionality you may offer. Would employees be able to view and select any/all appropriate Benefit plans, coverage options and costs, as well as any supplemental information the City chose to offer?
8. Describe your processes that insure that you are in compliance with human resources regulation changes (i.e. COBRA, HIPAA, OSHA and work comp, FMLA tracking, EEO, ADA and FLSA compliance.)
9. Describe how your system facilitates the maintenance of employee data and creation of employee history.
10. Describe how life events are accommodated in your system (i.e. marital status change, dependents status change, address changes, emergency contact data, etc.)
11. Describe how corrective action sessions are accommodated within the system and your ability to track grievance.

TIME AND ATTENDANCE/LEAVE MANAGEMENT

1. Describe your online timesheet entry system. What, if any, supervisorial approval process exists?
2. Describe any workflow included with web time entry and acceptance/denial.
3. Describe your experience with third-party time entry system, specifically TeleStaff, and what potential challenges may exist with its integration.
4. Describe your fully integrated scheduling, time and attendance and leave management capabilities to ensure accurate employee schedules, reduce payroll expenditures and streamline payroll and workforce management.

5. Describe your Time and Attendance capabilities for any employee population including specifications for employee time reporting for remote departments of the City. (i.e. key fobs, computer sign-in features, etc.)

MANDATORY PROPOSAL QUESTIONNAIRE

6. What scheduling capabilities are included with your Time and Attendance feature?
7. Does your system include end-to-end leave management administration?
8. Does your system include pre-built, industry specific pay rules and entitlement libraries?
9. Describe how your system includes shift differentials that are paid in multiple different ways on pay group/MOU and shift worked.
10. Describe how/if your system includes various types of payroll lock down dates to freeze timesheet edits for payroll processing.
11. Describe how your system allows for the tracking of labor metrics by Department.

SECURITY

1. Describe the security measures taken to ensure the confidentiality of employee personal information.
2. Describe how and how often your data is backed up in the event of a natural disaster or a major unforeseen event both locally and offsite.
3. Describe the details of the security control of your system. It should contain:
   - Sign-on and time-out security
   - Page and dialog security
   - Batch environment security
   - Application data security
   - Online Timesheet security

TECHNOLOGICAL APPROACH

1. Describe your work flow services. Please outline the process or steps required to complete business tasks from beginning to end.
2. Describe your customization and extensibility capabilities.
3. Describe your policy regarding third-party customization.
4. Describe your onsite assistance with technological and operational support.
5. Describe the platform upon which the system is based/operates including technical affiliates upon whom the system is reliant for direction and support.
6. Describe your policy regarding Customer Source Code Escrow.
7. Describe your preferred Reporting Tools and are they included as part of your base product? Can they be customized?
8. Describe the way to convert employee balance records if you take over the Payroll system in the middle of the year.
9. Describe the parallel testing procedures you are going to perform.
10. Following review of our needs for reporting, please define the number of customizable reports and what would be "included" with the software/licensing.
11. What is the 3-5 year plan for product enhancements of your product?
12. Please explain your plans for future innovation, expandability and support.

APPENDIX B

PROFESSIONAL SERVICES AGREEMENT

CITY OF COSTA MESA

THIS AGREEMENT is made and entered into this __ day of ____, 2011 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and consultant, a California corporation ("Consultant").

W I T N E S S E T H :

A. WHEREAS, City proposes to have Consultant _____ as described herein below; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise necessary to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for specific services in connection with the project described below (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of California Government Code, Sections 1090-1092, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in Consultant's Proposal (the "Proposal"). A copy of said Proposal is attached hereto as Exhibit "A" and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. It is understood that in the exercise of every aspect of its role, within the scope of work, consultant will be representing the City, and all of its actions, communications, or other work, during its employment, under this contract is under the direction of the City.

Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.4. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Labor Code, Section 1735.

1.5 Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.6. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

2.0. COMPENSATION AND BILLING

2.1. Compensation. [TBD]

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Proposal unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to City's affected supervisor for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultants' services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed and the associated time for completion. Any additional services approved and performed pursuant to this

Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Said services shall be performed in strict compliance with the Project Schedule approved by City as set forth in Exhibit "D," attached hereto and incorporated herein by this reference. The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of three year, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties. At the end of the term period, the City may determine, in its sole discretion, to exercise an option to renew the contract for up to two periods of one (1) year each. The City shall give notice to Consultant of its intention to exercise such option at least 30 days prior to expiration of the base, or option, term.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination.

4.4 Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, inmate intake reports and logs shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without

specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain and maintain during the life of this Agreement all of the following insurance coverages:

(a) Comprehensive general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury with a policy limit of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence and aggregate.

(b) Automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence and aggregate.

(c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving, subrogation rights under its workers' compensation insurance policy against the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

(d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence and aggregate. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The comprehensive general liability insurance policy shall contain or be endorsed to contain the following provisions:

(a) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, agents, and employees are additional insureds with respect to this subject project and contract with City."

(b) Notice: "Said policy shall not terminate, nor shall it be cancelled, nor the coverage reduced, until thirty (30) days after written notice is given to City."

(c) Other insurance: "Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by

this policy."

5.3 If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance: Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement.

5.5. Non-limiting: Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement: This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Manager or his designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices: Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48

hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:	IF TO CITY:
Consultant	City of Costa Mesa
12345 Jefferson Rd.	77 Fair Drive
Costa Mesa, CA 92626	Costa Mesa, CA 92626
Tel: 555-555-5555	Tel: 714-754-5156
Fax: 555-555-5555	Fax: 714-754-5330
Attn:	Attn: Purchasing

6.5. Drug-free Workplace Policy. Consultant shall provide a drug-free workplace by complying with all provisions set forth in City's Council Policy 100-5, attached hereto as Exhibit "B" and incorporated herein by reference. Consultant's failure to conform to the requirements set forth in Council Policy 100-5 shall constitute a material breach of this Agreement and shall be cause for immediate termination of this Agreement by City.

6.6. Attorneys' Fees: In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.7. Governing Law: This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

6.8. Assignment: Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.9. Indemnification and Hold Harmless:

To the fullest extent permitted by law, the Consultant assumes liability for and shall save and protect, hold harmless, indemnify, and defend the City and its elected and appointed officials, officers, and employees (all the foregoing, hereinafter collectively, "Indemnitees") from and against all claims, suits, demands, damages, losses, expenses, and liabilities of any kind whatsoever (all the foregoing, hereinafter collectively "Claims") including, without limitation, attorneys' fees, arising out of, resulting from, relating to, or claimed to have arisen out of, resulted from or related to the engagement of Consultant or the performance of this Agreement by the Consultant (including its subcontractors and suppliers)

It is expressly intended by the parties that Consultant's indemnity and defense obligations shall apply, and Indemnitees shall be fully indemnified without offset, deduction or contribution, regardless of any negligence or other fault of Indemnitees, or any of them, and whether or not such Indemnitee negligence or other fault caused or contributed to the arising of the Claims.

"Claims" as used in this section shall include, without limitation, those for personal injuries, wrongful death, mental or emotional distress, loss of consortium, damage to or loss of use of real, personal or intangible property of any kind, loss of income, loss of earning capacity, and business, financial, commercial or pecuniary losses of any kind whatsoever, and attorneys fees, and costs and expenses of any kind whatsoever.

Consultant's indemnity and defense obligations shall cover the acts or omissions of any of Consultant's subcontractors, and suppliers, and the employees of any of the foregoing.

The Consultant's indemnity and defense obligation under this Section includes, without limitation, any claims, suits, demands, damages, losses, expenses, and liabilities arising from allegations of violations of any federal, State, or local law or regulation, and from allegations of violations of Consultant's or its subcontractor's personnel practices or from any allegation of an injury to an employee of the Consultant or subcontractor performing work or labor necessary to carry out the provisions of this Contract.

The indemnification obligations in this Section shall not be construed to negate, abridge or otherwise reduce any other obligation of indemnity the Consultant may have with respect to the City which may otherwise exist. If any judgment is rendered against the City or any of the other individuals enumerated above in any such action, the Consultant shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination or expiration of this Agreement.

6.10. Independent Contractor: Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall secure, at his expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder.

6.11. PERS Eligibility Indemnification: In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or

employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.12. Ownership of Documents: All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

6.13. Confidentiality: Any City materials to which the Consultant has access, information that reasonably might be construed as private or containing personal identifiable information, or materials prepared by the Consultant during the course of this Agreement (collectively referred to as "confidential information") shall be held in confidence by the Consultant, who shall exercise all reasonable precautions to prevent the disclosure of confidential information to anyone except the officers, employees and agents of the Consultant as necessary to accomplish the rendition of services set forth in this Agreement. Consultant shall not release any reports, information, private or promotional information or materials, whether deemed confidential or not, to any third party without the approval of the City.

6.14. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.15. Prohibited Employment: Consultant will not employ any regular employee of City while this Agreement is in effect.

6.16. Order of Precedence: In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of the Proposal, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the Proposal.

6.17. Costs: Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.18. No Third Party Beneficiary Rights: This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.19 Headings: Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.20. Construction: The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.21. Amendments: Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.22. Waiver: The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.23. Severability: If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party is materially impaired, which determination as made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.24. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.25. Corporate Authority: The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF COSTA MESA,

A municipal corporation

_____ Date: _____

City Manager of Costa Mesa

CONSULTANT

_____ Date: _____

Signature

_____

Name and Title

_____

Social Security or Taxpayer ID Number

APPROVED AS TO FORM:

_____ Date: _____

City Attorney

APPROVED AS TO INSURANCE:

_____ Date: _____

Risk Management

APPROVED AS TO CONTENT:

_____ Date: _____

Project Manager

EXHIBIT A

CONSULTANT'S PROPOSAL

EXHIBIT B

CITY COUNCIL POLICY 100-5

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	1 of 3

BACKGROUND

Under the Federal Drug-Free Workplace Act of 1988, passed as part of omnibus drug legislation enacted November 18, 1988, contractors and grantees of Federal funds must certify that they will provide drug-free workplaces. At the present time, the City of Costa Mesa, as a sub-grantee of Federal funds under a variety of programs, is required to abide by this Act. The City Council has expressed its support of the national effort to eradicate drug abuse through the creation of a Substance Abuse Committee, institution of a City-wide D.A.R.E. program in all local schools and other activities in support of a drug-free community. This policy is intended to extend that effort to contractors and grantees of the City of Costa Mesa in the elimination of dangerous drugs in the workplace.

PURPOSE

It is the purpose of this Policy to:

1. Clearly state the City of Costa Mesa's commitment to a drug-free society.

2. Set forth guidelines to ensure that public, private, and nonprofit organizations receiving funds from the City of Costa Mesa share the commitment to a drug-free workplace.

POLICY

The City Manager, under direction by the City Council, shall take the necessary steps to see that the following provisions are included in all contracts and agreements entered into by the City of Costa Mesa involving the disbursement of funds.

1. Contractor or Sub-grantee hereby certifies that it will provide a drug-free workplace by:

    a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in Contractor's and/or sub-grantee's workplace, specifically the job site or location included in this contract, and specifying the actions that will be taken against the employees for violation of such prohibition;

    b. Establishing a Drug-Free Awareness Program to inform employees about:

        1. The dangers of drug abuse in the workplace;

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	2 of 3

2. Contractor's and/or sub-grantee's policy of maintaining a drug-free workplace;

3. Any available drug counseling, rehabilitation and employee assistance programs; and

4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

c. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by subparagraph A;

d. Notifying the employee in the statement required by subparagraph 1 A that, as a condition of employment under the contract, the employee will:

1. Abide by the terms of the statement; and

2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

e. Notifying the City of Costa Mesa within ten (10) days after receiving notice under subparagraph 1 D 2 from an employee or otherwise receiving the actual notice of such conviction;

f. Taking one of the following actions within thirty (30) days of receiving notice under subparagraph 1 D 2 with respect to an employee who is so convicted:

1. Taking appropriate personnel action against such an employee, up to and including termination; or

2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health agency, law enforcement, or other appropriate agency;

3. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 A through 1 F, inclusive.

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	3 of 3

g. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 A through 1 F, inclusive

2. Contractor and/or sub-grantee shall be deemed to be in violation of this Policy if the City of Costa Mesa determines that:

   a. Contractor and/or sub-grantee has made a false certification under paragraph 1 above;

   b. Contractor and/or sub-grantee has violated the certification by failing to carry out the requirements of subparagraphs 1 A through 1 G above;

   c. Such number of employees of Contractor and/or sub-grantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the contractor and/or sub-grantee has failed to make a good faith effort to provide a drug-free workplace.

3. Should any contractor and/or sub-grantee be deemed to be in violation of this Policy pursuant to the provisions of 2 A, B, and C, a suspension, termination or debarment proceeding subject to applicable Federal, State, and local laws shall be conducted. Upon issuance of any final decision under this section requiring debarment of a contractor and/or sub-grantee, the contractor and/or sub-grantee shall be ineligible for award of any contract, agreement or grant from the City of Costa Mesa for a period specified in the decision, not to exceed five (5) years. Upon issuance of any final decision recommending against debarment of the contractor and/or sub-grantee, the contractor and/or sub-grantee shall be eligible for compensation as provided by law.

EXHIBIT C

CERTIFICATES OF INSURANCE

APPENDIX C

EX PARTE COMMUNICATIONS CERTIFICATION

Please indicate by signing below one of the following two statements. **Only sign one statement.**

I certify that Proposer and Proposer's representatives have not had any communication with a City Councilmember concerning the Municipal Payroll Services RFP at any time after _____, 2011.

_____

OR

I certify that Proposer or Proposer's representatives have communicated after_____, 2011 with a City Councilmember concerning the Municipal Payroll Services RFP. A copy of all such communications is attached to this form for public distribution.

_____

APPENDIX D

PRICING PROPOSAL FORM

MUNICIPAL PAYROLL SERVICES

Clearly identify all assumptions used to create the costs shown below:

1. One Time Costs – Please detail all one-time costs below:
   - (i) Implement Services
   - (ii) Data Conversion
   - (iii) License Fees
   - (iv) Hardware Costs (if any)
   - (v) Other One Time Costs
   - (vi) Total One Time Costs

2. Monthly Service Fees – Please show all services and activities included in the monthly service fee, and show activities and services that would result in an increased fee to the City.

3. Monthly Service Fees – Please show the expected monthly service fee for the next 5 years below:
   - (i) First Year
   - (ii) Second Year
   - (iii) Third Year
   - (iv) Fourth Year (optional)
   - (v) Fifth Year (optional)
   - (vi) Total Service Fees

4. Grand Total of All Costs – First Five (5) Years

Pricing shall remain firm for a minimum of two (2) years. Any and all requests for pricing adjustments for follow-on contract renewal periods shall be provided no later than sixty (60) days prior to the end of the contract period. Any such proposed price adjustments shall not exceed The Bureau of Labor Statistics Consumer Price Index (CPI) data for Los Angles-Riverside-Orange County, CA, All Items, Not Seasonally Adjusted, "annualized change comparing the original proposal month and the same month in the subsequent year. (This information may be found on the U.S. Department of Labor's website at www.bls.gov.)

APPENDIX E

DISQUALIFICATION QUESTIONNAIRE

The Contractor shall complete the following questionnaire:

Has the Contractor, any officer of the Contractor, or any employee of the Contractor who has proprietary interest in the Contractor, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or safety regulation?

Yes _____ No _____

If the answer is yes, explain the circumstances in the following space.

APPENDIX F

DISCLOSURE OF GOVERNMENT POSITIONS

Each Proposer shall disclose below whether any owner or employee of the firm currently hold positions as elected or appointed officials, directors, officers, or employees of a governmental entity or held such positions in the past twelve months. List below or state "None."

APPENDIX G

CITY OF COSTA MESA
LIST OF SPECIALTY PAY

CMFMA-FIRE MANAGEMENT PAY

CSF – Chief Officer – 2.5%
Master's Degree – 2.5%
NFA – Executive Fire Officer – 2.5%
CSF – Fire Marshall - 2.5 %
Strike Team Leader – 1.25%
Urban Search and Rescue – 1.25%

CMFA – FIREFIGHTERS

Instructor II Certification - $70
Instructor III Certification - $70
Prevention Officer II Certification - $70
Prevention Officer III Certification - $70
Public Education Officer Certification - $70
Driver/Operator Certification - $70
Fire Officer Certification - $150
Chief Officer Certification - $150
Fire Certification – AS /AA Degree - $150
Fire Certification – BS / BA Degree - $200
Firefighter II Certification
Rescue Specialist Certification - $70
Confined Space Operational Technician - $70
Specialized Rescue Technician - $70
Fire Certification 60 Units - $120
Fire Certification 120 Units - $180
Fire Certification 180 Units - $180
Fire Certification – MS /MA Degree - $200
1st Medic Re-Certification – 11.25%
2nd Medic Re-Certification – 12.5%
3rd Medic Re-Certification – 13.75%
Medic Re-Certification Bonus - $500

CMPA – POLICE OFFICERS

Motor Officer Maintenance Pay – 4.5 Hours
Motor Officer Assignment Pay – 5%
Motor Training Officer Assignment – 5%
POST Advanced Certification – 10%
POST Executive Certification – 5%
POST Intermediate Certification – 5%
Shooting Pay - $8-100/Month
Uniform Pay – Patrol – 2.5%
Field Training Pay – 12.5%

CITY OF COSTA MESA
LIST OF SPECIALTY PAY

CMPA – POLICE OFFICERS (Continued)

Police Hazardous Materials Pay - $100/Month
Uniform Pay – Patrol – 2.5%
Canine Maintenance Accrued – 7 hours
Certified Flight Instructor Pay – 12.5%

CMPMA – POLICE MANAGEMENT

POST Management Certification – 5%

CMCEA – GENERAL EMPLOYEES

Emergency Medical Dispatch Pay – 5%
Shift Differential/PM – 5% PD
Shift Differential/AM – 10%PD
Shift Differential – 7.5% TELECOM
Matron Duty Pay – 5%
Class A / B License - $700/Year
Shorthand Pay – 2.5%

BILINGUAL PAY

Bilingual Pay – Executives – 5%
Bilingual Pay – CMFA – 5%

Bilingual Pay – CMCEA – 5%
Bilingual Pay – CMPA – 5%
Bilingual Pay – Executives – 2.5%
Bilingual Pay – CMFA 2.5%
Bilingual Pay – CMCEA 2.5%
Bilingual Pay – CMPA – 2.5%

EXECUTIVES

Car Allowance for Executives - $477/Month

ALL

Move Up Pay – 5%

CITY OF COSTA MESA
TIME ENTRY CODES

Time Card Codes	Description
4850	4850 Sworn Disability Leave
AAF	Fire Administration Assignment – 2.5%
ABS	Absence with No Pay
ABS-D	Absence – Total Temp Disability
ABSF	Furlough with Leave of Absence
ADMIN	Administrative Leave with Pay
AFLC5	CMPA Overtime Fill
AFLX5	CMPA Overtime Fill Accrual
ASB-D	Absence-Total Temp Disability
ASNCF	CMFA Officer Leave – Overtime
ASNCG	CMCEA Officer Leave – Overtime
ASNCP	CMPA Officer Leave – Overtime
ASNDF	CMFA Officer Leave Donation
ASNDG	CMCEA Officer Leave Donation
ASNDP	CMPA Officer Leave Donation
ASNUF	Take Assn Officer Leave-CMFA
ASNUG	Take Assn Officer Leave-CMCEA
ASNUP	Take Assn Officer Leave-CMPA
BREAV	Bereavement Leave Taken
CAC	Straight OT-Complete Assignment
CAC5	OT-Complete Assignment
CANIN	Canine Maintenance Accrued
CAX	Straight Comp-Complete Assign
CAX5	Comp Accrued-Complete Assignment
CMPAY	Comp Maximum Hours/Payoff
COC	Straight OT-Call Out
COC5	OT-Call Out
COMM	Comp Accrued-Communications Muster
COMM1	OT-Communications Muster
COMP	Comp Maximum Hours/Payoff
COURT	Court Attendance
COX	Straight Com-Call Out
COX5	Comp Accrued-Call Out
CTAC	Straight OT-Court Attendance
CTAC5	OT-Court Attendance
CTAX	Straight Comp-Court Attendance
CTAX5	Comp Accrued-Court Attendance
CTE	Comp Time Earned-Firefighter
CTIME	Comp Time Taken
CTSC	Straight OT-Court Standby
CTSC5	OT-Court Standby
CTSX	Straight Comp-Court Standby

CITY OF COSTA MESA
TIME ENTRY CODES

Time Card Codes	Description
CTSX5	Comp Accrued-Court Standby
DCC	Donation Catastrophic-Comp Bank
DCV	Donation Catastrophic-Vacation
DISAB	Disability/Work Com (Non-sworn)
EDUCA	Education Expenses Reimbursed
EPD	Exec Professional Development
EXEC	Executive Leave Taken
FIRMU	Fire Move-Up Pay – 5%
FLOAT	Floating Holiday Hours Taken
FMLC	Comp Time Taken
FMLD	Family Medical Care Leave-Disability
FMLF	Family Leave Furlough
FMLG	Family Medical Care Leave-General
FMLH	Family Medical Care Leave-Float
FMLHL	Family Medical Leave-Holiday
FMLN	Family Medical Care Leave-No Pay
FMLS	Family Medical Care Leave-Sick
FMLSF	Family Medical Care-Sick Fire
FMLV	Family Medical Care Leave-Vacation
FMLX	Family Medical Care Leave-Executive
FTH	Field Training-Helicopter
FTHC5	OT-FT Helicopter
FTO	Field Training Pay
FTOC5	OT-Field Training Assignment
FTOX5	FTO OT-Accrued Time and a Half
FUR	Furlough Leave
GENLV	General Leave Taken
GLP	General Leave Payoff
HAZ	Police Hazardous Materials Pay
HOL	Holiday Hours
HOLBK	Holiday Leave Bank Taken
HOLCR	Holiday Time Off Communications Records
HOLFP	Holiday Leave Full Paid Shift
HOLPO	Holiday Leave Bank Payoff
HR+	Comp Time Earned-Firefighter
HR-	Comp Time Taken
HRMD1	1st Medic Re-Certification
HRMD2	2nd Medic Re-Certification
HRMD3	3rd Med Re-Certification
HRMED	Medic Certification Pay
JURY	Jury Duty
LIGHT	Light Duty Assignment
MATRN	Matron Duty Pay-5%

CITY OF COSTA MESA
TIME ENTRY CODES

Time Card Codes	Description
MEALS	Meal Period
MIL01	Military Leave Training
MIL05	Military Leave Deployment
MILIT	Military Leave
MILSP	City's Military Leave Supplement
MOTOF	Motor Officer Maintenance Pay
MOVEO	Overtime Move-up-Firefighter
MOVEU	Move Up Pay -5%
MTO	Motor Training Officer Assignment
MUAC	Straight OT-Move Up AM Shift
MUAC5	OT – Move Up AM Shift
MUAX	Straight Comp-AM Move Up
MUC	Straight OT-Move Up
MUC5	OT-Move Up
MUPC	Straight OT-Move Up PM Shift
MUPC5	Straight OT-Move Up PM Shift
MUPX	Straight Comp-PM Move Up
MUX	Straight Comp-Move Up
NON	None
NONE	None
OT-AM	OT-AM Shift
OT-BV	Straight OT-Bereavement Fill
OT-C	OT-Court Attendance
OT-CA	OT-Complete Assignment
OT-CM	OT-Computer Maintenance
OT-CO	OT-Call Out
OT-EL	Straight OT-Exec Leave Fill
OT-EX	OT-Exec Leave Fill
OT-M	OT-Time and a Half
OT-M1	OT-Time and a Half
OT-MA	OT-Accrued Time and a Half
OT-MS	OT-Minimum Staffing
OT-MT	OT-Mandatory Training
OT-MU	OT-Move Up
OT-PM	OT-PM Shift
OT-SA	OT-Special Events/Projects'
OT-SB	Straight Comp-Standby
OT-SC	OT-Sick Leave Fill
OT-SD	Straight OT-Sick Leave Fill
OT-SM	Straight OT-Staff Meetings
OT-SP	OT-Special Events/Project
OT-SS	OT-Short Shift Fill
OT-ST	Straight OT-MOU Exception

CITY OF COSTA MESA
TIME ENTRY CODES

Time Card Codes	Description
OT-TE	OT-Tools & Equip Meetings
OT-TR	Straight OT-Training Coverage
OT-UT	OT-UASI Training
OT-V	Straight OT
OT-VA	Straight Comp Hours Accrued
OT-VB	Straight OT-Vacation Fill
OT-VC	OT-Vacation Fill
OTAMA	Overtime AM Shift Accrual
OTAMS	Straight OT-AM Shift
OTC	Straight OT
OTC5	OT-Time and a Half
OTCMU	Over Time Accrual Move Up
OTCSB	OT-Court Standby
OTMAM	OT-Move Up AM Shift
OTMOU	OT-MOU Adjustment
OTMPM	OT-Move Up PM Shift
OTMSA	Straight OT-Move Up AM Shift
OTMSD	OTM-Shift Differential
OTMSP	Straight OT-Move Up PM Shift
OTMUA	OT-Move Up
OTMUD	OTM-Move Up Shift Differential
OTMUP	OT-Move Up
OTPMS	Straight OT-PM Shift
OTRPT	OT-Report Writing
OTSMU	Straight OT-Move Up
OTVMU	Straight OT Accrual Move Up
OTVSD	OTV-Shift Differential
OTVUD	OTV-Move Up Shift Differential
OTX	Straight Comp Hours Accrued
OTX5	OT-Accrued Time and a Half
PAYBK	Pay Adjustment
PBBX	Straight Comp-P.O.S.T. Backfill
PBFC	Straight OT-P.O.S.T. Backfill
PBFC5	OT-P.O.S.T. Backfill
PBFX5	Comp Accrued P.O.S.T. Backfill
PCFC	Straight OT-P.O.S.T. Backfill
POLL	Poll Worker/Election
PREM	FLSA Overtime Premium
REG	Regular Pay
REGEX	Regular Exchange/Work for Other
REGNW	Regular Exchange/Employee Off
REIMB	Pay Adjustment
RETRO	Retroactive Pay

CITY OF COSTA MESA
TIME ENTRY CODES

Time Card Codes	Description
RPWC	Straight OT-Report Writing
RPWC5	OT-Report Writing
RPWX	Straight Comp-Report Writing
RPWX5	Comp Accrued-Report Writing
SCD	Sick Leave Donation Received
SD4	Shift Differential 7.5%
SDAM	Shift Differential/AM – 10%
SDPM	Shift Differential/PM – 5%
SHOOT	Shooting Pay-Police Officers
SICCD	Family Leave Sick-Donated
SICK	Sick Leave Taken
SICKF	Sick Leave- F
SLFC	Straight OT-Sick Leave Fill
SLFC5	OT-Sick Leave Fill
SLFX	Straight Comp-Sick Leave Fill
SLFX5	Comp Accrued-Sick Leave Fill
SLP	Sick Leave Payoff
SPEC	Straight OT-Special Events/Projects
SPEC5	OT-Special Events/Projects
SPEVT	Special Events Hours
SPEX	Straight Comp-Special Event/Project
SPEX5	Comp Accrued-Special Events/Project
SSC	Straight OT-Short Shift Fill
SSC5	OT-Short Shift Fill
SSFX5	Comp Accrued-Court Standby
SSX	Straight Comp-Short Shift Fill
SSX5	Comp Accrued-Short Shift Fill
STANB	Standby Pay
STATE	Education Expenses Reimbursed
SUG	Suggestion Award Bonus-Cash
SUGV	Suggestion Award Bonus-Vacation
SUSPN	Absence with No Pay
TRC	Straight OT-Training
TRC5	OT-Mandatory Training
TRX	Straight Comp-Training
TRX5	Comp Accrued-Training
VAC	Vacation Leave Taken
VAC2	Vacation Secondary Taken
VFC	Straight OT-Vacation Fill
VFC5	OT-Vacation Fill
VFX	Straight Comp-Vacation Fill
VFX5	Comp Accrued-Vacation Fill
VPO	Vacation Payoff – Cash

CITY OF COSTA MESA
PAYROLL REPORTS

1. PAYROLL REGISTER REPORT (PAY002)
   Information included in the report:

   - Employee name and identification number
     - Department identification
     - Business unit
   - Payment type
     - Direct deposit
     - Check
   - Regular
     - Hours
     - Earnings
   - Overtime
     - Hours
     - Earnings
   - Other
     - Type
     - Hours
     - Earnings
     - Gross pay
     - Taxes type
     - Deductions code
     - Net pay

2. US PAYROLL SUMMARY REPORT (PAY18CCM)
   ON & OFF CYCLE

   - PAY CHECK SUMMARY

     - All Checks (including online) Report
     - Online Checks Report
     - Batch Final Checks Report
     - Online Final Checks Report
       Information included in the reports:

       - Count
       - Total gross
       - Total taxes
       - Total deductions
       - Net pay

CITY OF COSTA MESA
PAYROLL REPORTS

2. US PAYROLL SUMMARY REPORT (PAY18CCM) - Continued

- PAY EARNINGS SUMMARY
  Information included in the report:

  - Count
  - Regular earnings
  - Earnings for regular earnings
  - Regular hours
  - Earnings for regular hours
  - Overtime hours
  - Earnings for overtime hours

- OTHER EARNINGS SUMMARY
  Information included in the report:

  - Earnings code
  - Count
  - Other hours
  - Other earnings

- SPECIAL ACCUMULATOR SUMMARY
  Information included in the report:

  - Special earnings code
  - Count
  - Special earnings

- EMPLOYEE DEDUCTION SUMMARY
  Information included in the report:

  - Plan type
  - Deduction code/class
  - Count
  - Current deduction
  - Deduction not taken
  - Reason not taken

- Arrears payback
- Deduction refund

CITY OF COSTA MESA
PAYROLL REPORTS

2. US PAYROLL SUMMARY REPORT (PAY18CCM) - Continued

- EMPLOYER CONTRIBUTION SUMMARY
  Information included in the report:

  - Plan type
  - Deduction code/class
  - Count
  - Current deduction
  - Deduction not taken
  - Arrears payback
  - Deduction refund

- EMPLOYEE TAX SUMMARY
  Detailed information included in the report:

  - State
  - Resident
  - Tax class
  - Count
  - Current tax (dollars)
  - Current taxable gross
  - Current no-limit taxable gross
  - Tax not taken

- EMPLOYER TAX SUMMARY
  Detailed information included in the report:

  - State
  - Resident
  - Tax class
  - Count
  - Current tax
  - Current taxable gross
  - Current no-limit taxable gross
  - Tax not taken

Attachment G.3

CITY OF COSTA MESA
PAYROLL REPORTS

3. CCM DEDUCTIONS REGISTER REPORT (CCMPAY12)
   Information included in the report:

   - Employee identification number
   - Employee name
   - Current amount
   - Refund amount
   - Amount from arrears
   - Amount not taken
   - Reason not taken
   - Month to date
   - Quarter to date
   - Year to date
   - Goal amount

4. TAX DEPOSIT SUMMARY FOR EACH PAY PERIOD REPORT (TAX001)
   Information included in the report:

   - Federal taxes
   - State taxes
     - State withholding tax (EIN)
   - Medicare taxes
   - Withholding
     - Taxable gross
     - Tax
   - Other
     - Type
     - Taxable gross
     - Tax
     - Employer
   - Total deposit for taxes

Attachment G.3

CITY OF COSTA MESA
PAYROLL REPORTS

5. QUARTERLY TAX SUMMARY REPORT - For quarter ended and year to date (TAX010)
   Information included in the report:

- Federal taxes
- State locality
- Withholding
  - Taxable gross
  - Tax
  - Type
  - Rate
- Other employee taxes
  - Taxable gross
  - Tax
  - No limit gross
  - Type
- Employer taxes
  - Taxable gross
  - Tax
  - No limit gross

6. CALIFORNIA QUARTERLY WAGE REPORT (CCMTX810)
   Information included in the report:

- No limit gross (Quarter ended)
- Personal Income Tax (PIT) wages (Quarter ended)
- Number of employees reported
- State tax withheld (Quarter ended)
- Number of employees reported to EDD for payroll including 12th day of each month for each quarter:
  - (April, May, June)
  - (January, February, March)

- (July, August, September)
- (October, November, December)

Attachment G.3

CITY OF COSTA MESA
PAYROLL REPORTS

1. TIME & LABOR EDITS – QUESTIONABLE SESSION DATA REPORTS (CCMTAL08)

- Holiday Entered During Non-Holiday Period Report
- Holiday Hours Entered Report
- No Holiday Entered During Holiday Period Report
- Excessive Hours Entered Report
- Catastrophic Leave Donation Report
- Weekly Hours Threshold Exceeded Report
- Employees with Absence Without Pay or Suspension Report
- Employee Reported General Leave Pay Out Report
- Employees Reported for Jury Duty Report
- Pay Group Changed from Fire Administration to Fire Department Report
- Fire Department to Fire Administration (56-40 hours)Time Schedule Report

Information included in the reports:

- Employee name
- Session
- Date under report
- Time reporting code (TRC)
- Hours
- Amount
- Schedule
- Plan
- Earnings code
- Workgroup

- Paygroup Change for Fire Administration to Fire Department Report
  Information included in the report:

  - Employee identification number
  - Employee name

- Department identification number
- Current payroll
- Last payrolls data
- Last 2 payrolls data

CITY OF COSTA MESA
PAYROLL REPORTS

8. TIME & LABOR EDITS – QUESTIONABLE SESSION DATA REPORTS (CCMTAL08)-Continued

- Employee Reported Disability Light "4850" Report
  Information included in the report:
    - Employee name
    - Session
    - Plan
    - Balance before
    - Will earn
    - Balance available
    - Taken total
    - Balance after
    - Action needed

- Negative Family Leave Balance Report
- Negative Compensation Balance Report
- Negative Leave Balance Report
- Recap Report
  Information included in the report:
    - Employee name
    - Session
    - Plan
    - Balance before
    - Will earn
    - Balance available
    - Taken total
    - Balance after
    - Action needed

9. PAY PERIOD "COMP" TAKEN TO PAID PROCESS REPORT (CCMTAL05)
   Information included in the report:
    - Employee name
    - Bank maximum
    - Previously earned
    - Previously taken
    - Current earned
    - Current taken
    - Compensation paid

CITY OF COSTA MESA
PAYROLL REPORTS

10. BATCH APPROVAL REPORT (CCMTAL15)
Information included in the report:

- Total employee approved for payroll
- Total records approved for payroll

11. COMP EARNED AT GREATER THAN STRAIGHT TIME REPORT (CCMTAL02)
Information included in the report:

- Employee name
- Comp hours earned
- Payroll week
- Time reporting code
- Overtime reported hours
- Overtime factor
- Department numbers
- Department name

12. FLSA/MOU OVERTIME TO TIME AND A HALF REPORT (CCMFLSA6)
Information included in the report:

- Employee name
- End date
- Liability hours
- Overtime MOU adjustment

13. LONGEVITY AWARD ADDITIONAL PAY GENERATOR REPORT (CCMPAY02)
Information included in the report:

- Employee identification number
- Employee name
- Job code
- Hire date
- Years
- Old amount
- New amount
- Activity message

CITY OF COSTA MESA
PAYROLL REPORTS

14. FIRE EMPLOYEES BANK CONVERSION REPORT (CCMBEN13)
Information included in the report:

- Employee identification number
- Employee name
- From:
  - Paygroup
  - Bank
  - Hours
- To:
  - Paygroup
  - Bank
  - Hours
- New effective date

15. VACATION BENEFIT PLAN UPDATE REPORT (CCMBEN03)
Information included in the report:

- Employee identification number
- Employee name
- Paygroup
- Workgroup
- Hire date
- Rehire date
- Service date
- Years
- Old plan
- New plan

16. SECONDARY SICK LEAVE TO SICK LEAVE CONVERSION REPORT (CCMPAY19)
Information included in the report:

- Employee identification number
- Employee name
- Pay group
- Secondary sick leave beginning balance
- New code
- New hours
- Year to date total

CITY OF COSTA MESA
PAYROLL REPORTS

17. FLSA HOURS COMPUTATION REPORT (CCMFLSA5)
Information included in the report:

- Employee name
- System FLSA
- Period start
- Period end
- Hourly rate
- 1: Hours total to FLSA
- 2: FLSA liability
- 3: total hours
- 4: 3*hourly rate
- 5: total amounts
- 6: 5/3 FLSA rate
- 7: 2*6 FLSA liability amount* .5
- 8: OT hours >= 1.5
- 9: 8* HRLY *Rate* .5
- 10. 7-9 FLSA Amount

17. SECONDARY VACATION TO VACATION LEAVE CONVERSION REPORT (CCMPAY24)
Information included in the report:

- Employee identification number
- Employee name
- Pay group
- New vacation
- Second end balance
- New code
- New hours
- Year to date total

CITY OF COSTA MESA
PAYROLL REPORTS

19. GENERAL LEAVE CONVERSION REPORT REPORT (CCMPAY13)
Information included in the report:

- Employee identification number
- Employee name
- Hours excess
- Estimated cashout

20. SICK LEAVE CONVERSION REPORT (CCMPAY05)
Information included in the report:

- Employee identification number
- Employee name
- Hours excess
- Hours to 2nd sick
- Conversion code
- Hours to convert
- Estimated cashout

21. VACATION LEAVE CONVERSION REPORT (CCMPAY06)
Information included in the report:

- Employee identification number
- Employee name
- Hours excess
- Hours to 2ND vacation
- Hours to cash
- Estimated cashout
- Paygroup

CITY OF COSTA MESA
PAYROLL REPORTS

22. LEAVE ACCRUAL UPDATE REPORTS – FOR ALL LEAVE PLANS (CCMPAY11)

- Sick Time Report
- Vacation Plan Report
- General Leave Report
- Furlough Report
- All Holiday Plan Report
- Secondary Vacation Plan Report
- Secondary Sick Plan Report
- Float Time Report
- Holiday Cash and Time Off Report
- All Holiday Plans Report
- All Executive Leaves Report

Information included in the reports:

- Employee identification number
- Employee name
- Paygroup
- Workgroup
- Hire date
- Service date
- Plan type
- Benefit plan
- Service months
- Standard hours
- Service hours
- Earned hours
- Accrual

23. DEDUCTION CHECKS ISSUED BY ACCOUNTS PAYABLE REPORT
Information included in the report:

- Vendor number
- Vendor name
- Amount
- Total
- Account number

CITY OF COSTA MESA
PAYROLL REPORTS

24. VENDOR CHECKS – GARNISHMENTS REPORT
Information included in the report:

- Garnishments
- Amount
- Account number
- Wire transfer

25. LEAVE ACCRUALS REPORT FOR RECORDS & COMMUNICATIONS (CCMBEN7C)
Information included in the report:

- Employee identification number
- Employee name
- Plan type
- Prior balance
- Activity
- Current balance

26. EMPLOYEES SHOULD BE ENROLLED INTO GENERAL LEAVE BENEFIT REPORT
Information included in the report:

- Employee identification number
- Employee name
- Department identification
- Part-time employee
- Service hours
- Hire date
- Hours earned

27. HOLIDAY PAY OUT TRACKING REPORT (CCMPAY21)
Information included in the report:

- Employee name
- Employee identification number
- Pay group
- Department
- Hours reported

- Total earnings

CITY OF COSTA MESA
PAYROLL DEDUCTION LIST

- PERS – PT EMD Pay
- Association Donation/CMFA
- PERS Buyback – After Tax
- Administrative Fee – Buyback
- Net Pay Adjustment
- Payback Adjustment
- PERS Long Term Care
- Medicare Credit for Executives
- Post Retirement Medical Plan
- Voluntary Life – Spouse
- Association Donation/CMPA
- Executive Computer Loan
- PERS Buyback – Before Tax
- 401(a) – After Tax Election
- 401(a) – City Manager Plan
- 401(a) – At-Will Dept Directors
- 401(a) – Department Directors
- 401(a) – Police Command Officers
- 401(a) – Fire Command Officers
- PERS Redeposit of Funds
- PERS – Public Service
- Supplemental Life Employee
- Voluntary Payroll Deduction
- Costa Mesa Firefighters Assn
- Costa Mesa Police Association
- Community Health Contribution
- Executive Club Dues

CITY OF COSTA MESA
PAYROLL DEDUCTION LIST

- United Way Contribution
- Garnishment
- Vacation Deduction – Com. Health
- Vacation Deduction – United Way
- Pre-Paid Legal
- Costa Mesa City Employees Assn.
- CompBank Deduction – United Way
- PERS – Military Service Credit
- 401a Loan Repayment
- Payback Adjustment – Before Tax
- CM Safety Retirement Buyback
- Post Retire Medical – CMFA
- 401(a) – Nonsafety Division Mgrs
- CompBank Deduction – Com Health
- Retirement Health Savings
- Fire Assoc. Adj.
- PERS – Service Credit Bfre Tax
- Military Pay Reduction
- California 457 Deferred Comp
- Catch Up – National Deferred
- Catch Up – California 457
- Def Comp – California 457 50+
- Defer Com – National Deferred
- Def Comp – National Deferred 50+
- PERS Enhancement – Fire
- Nuvision Federal Credit Union
- CMCEA Employee Service Fee

CITY OF COSTA MESA
PAYROLL DEDUCTION LIST

- CM Police Mgmt. Assoc.
- 401a/nNonsfty Div Mgrs 1-1-2006
- PERS 4% - Costa Sharing
- PERS 5% - Cost Sharing
- PERS Enhancement
- PERS 1%
- PERS Enhancement P/T
- Medical Insurance
- Waive Medical Coverage
- Dental Insurance
- Vision Insurance
- Supplemental Life Insurance
- Life Insurance/AD&D
- Supp Life Insurance – Dependent
- PERS Survivor's Benefit
- Cancer Insurance
- Cancer Insurance – After Tax
- Short Term Disability
- Short Term Disability – After Tax
- LTD – CMFA
- LTD – CMFA – After Tax
- Long Term Disability – After Tax
- Long Term Disability
- LTD – CMPA – After Tax
- LTD – CMPA

CITY OF COSTA MESA
PAYROLL DEDUCTION LIST

- Medical Reimbursement FSA
- Dependent Care FSA
- PERS – Firefighters
- Public Agency Retirement Sys
- PERS – Nonsworn & Executives
- PERS – Part-Time Employees
- PERS – PT Sworn Reserves
- PERS - Police

CITY OF COSTA MESA
LIST OF PAY GROUPS

GROUP	DECRIPTION
• COU	CITY COUNCIL
• EXE	EXECUTIVE MANAGEMENT
• FAD	FIRE ADMINISTRATION ASSIGNMENT
• FIR	FIREFIGHTER
• HEL	POLICE HELICOPTER PILOT
• PMG	POLICE MANAGEMENT
• POL	POLICE OFFICER
• PTE	PART-TIME EMPLOYEE
• PTS	PT IN NONSWORN SALARIED CLASS
• SAL	NONSWORN SALARIED EMPLOYEE
• SPT	SWORN PT POLICE RESERVE

CITY OF COSTA MESA
LIST OF WORK GROUPS

WORKGROUP	DESCRIPTION
• ADMIN_GRP	ADMINISTRATIVE WORKGROUP
• BATT_CHIEF	SUPPRESSION BATTALION CHIEF
• COMMUN	COMMUNCATIONS OFFICERS
• COUNCIL	CITY C0UNCIL MEMBERS
• EXECUTIVES	EXECUTIVE MANAGEMENT
• FIRE_ADMIN	FIRE ADMINSTRATION ASSIGNMENT
• FIREFIGHTR	FIREFIGHTERS/MIC & SUPPRESSION
• HELICOPTER	POLICE HELICOPTER PILOTS
• PART_TIME	PART-TIME EMPLOYEES
• POLICE	POLICE OFFICERS
• POLMGR	POLICE LIEUTENANTS
• RECORDS	POLICE RECORDS TECHNICIANS
• REDEVHOUS	REDEVELOPMENT/HOUSING
• REDVHOUMGR	REDEVELOPMENT/HOUSING MANAGER
• SWORNPT	SWORN PART-TIME EMPLOYEES

CITY OF COSTA MESA
PERSONNEL REPORTS

1. POSITION CONTROL REPORT
   Filled Positions by Department
   Filled Positions – City All
   Information included in the report:

   - Position Number
   - Job Code
   - Classification Title
   - Full/Part Time Status
   - Employment Status
   - Employee Name
   - Employee Identification Number

2. POSITION CONTROL REPORT
   Vacant Positions by Department
   Vacant Positions – City All
   Information included in the report:

   - Position Number
   - Job Code
   - Classification Title
   - Full or Part-time Status

3. PAYROLL SUMMARY REPORT
   By Department
   Information included in the report:

   - Department Numbers
   - Number of Hours
   - Amount
   - Run Time
   - Run Date

   Earnings Code:

   - 401 (401(a) Employer Dollar Match)
   - 40Z (Waived Employer 401a Match)
   - ABS (Absence with No Pay)
   - ADM (Administrative Leave with Pay)
   - ADP (CMPA Officer Leave Donation)
   - BLG (Bilingual Pay-CMCEA-5%)

CITY OF COSTA MESA
PERSONNEL REPORTS

- BLP (Bilingual Pay-CMPA)
- BRV (Bereavement Leave Taken)
- CCA (Compensation Accrued-Complete Assignment)
- 485 (4850 Sworn Disability Leave)
- AAF (Fire Administrative Assignment-2.5%)
- ABH (Absence due to Holiday)
- ADF (CMFA Officer Leave Donation)
- BCC (CSF – Chief Officer)
- CT (Compensation Time Taken)

4. FIRE CERTIFICATION PAY REPORT
   Employee Bi-Weekly Amount
   Information included in the report:

   - Certification Type by Position
     - Employee name
     - Employee identification number
   - Pay period End Date
   - Amount

5. COMP TIME ACCRUED REPORT (CCMTAL10)
   Year to Date Accrual through Last Pay End Date
   Information included in the report:

   - Department identification number
   - Employee name
   - Employee identification number
   - Balance at year begin
   - Earned
   - Taken
   - Difference
   - Balance at period end
   - Department totals

CITY OF COSTA MESA
PERSONNEL REPORTS

6. LEAVE ACCRUALS REPORT (CCMBEN07)
   Information included in the report:

   - Employee identification number
   - Employee name
   - Plan type
   - Benefit plan
   - Last date processed
   - Current hours used
   - Current hours accrued
   - Hours carried over
   - Year-to-date hours earned/bought
   - Year-to-date house taken/sold
   - Year-to-date hours adjusted
   - Balance hours
   - Hourly rate
   - Balance amount

7. PART-TIME HOURS REPORTED BY FISCAL YEAR REPORT (CCMPER98)
   Information included in the report:

   - Department number
   - Employee name
   - Employee identification number
   - Earnings
   - Hours reported this pay
   - Hours reported fiscal year
   - Total hours by department (this pay period)
   - Total hours by department (for fiscal year)

9. SIMPLIFIED LEAVE ACCRUALS REPORT - RECREATION ONLY (CCMBEN7B)
   Information included in the report:

   - Department number
   - Employee name
   - Benefit plan
   - Last date processed
   - Current hours used
   - Current hours accrued
   - Balance hours