



## Board Report 21-48

Date: September 21, 2021  
To: Board of Deferred Compensation Administration  
From: Staff  
Subject: Human Resources and Payroll (HRP) Project Update

### Board of Deferred Compensation Administration

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### Discussion:

Following is a report and update regarding the progress of the Human Resources Payroll (HRP) transition as it relates to the Deferred Compensation Plan (DCP).


#### A. Background

At its August 17, 2021 meeting, the Board of Deferred Compensation Administration (Board) received Board Report 21-44 regarding the status of the transition from the City's legacy payroll system, PaySR, to the new HRP system from vendor, Workday and its impact on the DCP. In the report, staff outlined the transition and implementation process, which includes multiple months of testing leading up to a targeted December 2021 "go live" date. Staff also outlined its concerns and potential risks, which included: a) DCP-specific payroll processes which have yet to be fully built and configured in the Workday system, including a database to track unused balance of amounts that the employee was eligible to contribute to the DCP but did not, dating back to the employee's original hire data (required for staff to process and approve "Catch-Up" contributions); b) ensuring the new payroll system is programmed to apply appropriate checks on annual DCP contribution limits and eligible compensation types that can be deferred into the DCP; c) retaining access to PaySR historical records; and, d) the timing of HRP testing demands on staff's current workload of administering daily DCP processes.

#### B. HRP Implementation Update

In late-August, staff received notice that the payroll and benefits elements of the HRP transition will be delayed from its original December 2021 go live date. The HRP transition is now targeted to go live in December 2022 for all payroll and benefits components, with various non-payroll components of the new system going live in segments over the course of the year. This new development is still pending more detailed information and a full calendar of planned deliverable

dates. However, staff regards this as a positive development by providing more time for developing requirements, testing functionality, and managing potential risks. Staff will continue to work with Workday, City colleagues within and outside of the Personnel Department, and DCP stakeholders to support the transition to the new payroll system. Staff will continue to report back to the Board regarding the ongoing progress of the HRP transition.

Submitted by:   
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Approved by:   
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Steven Montagna, Chief Personnel Analyst