

**Department:** County Management                      **Program Contact:** Vanessa Witka  
**Program Offer Type:** Existing Operating Program                      **Program Offer Stage:** As Adopted  
**Related Programs:**  
**Program Characteristics:**

### Executive Summary

Central Payroll is responsible for paying the employees of Multnomah County, ensuring compliance with Federal, State, and local wage and hour laws, withholding and remitting employment taxes and other deductions, issuing wage and tax reporting statements and administering the pension and deferred compensation programs.

### Program Summary

Central Payroll produces 24 payrolls per year for all Multnomah County employees and is responsible for accurately withholding, reporting and remitting employment taxes to Federal, State and Local taxing authorities. Payroll reports and remits pension contributions to the Public Employees Retirement System and administers the County's IRC §457 deferred compensation program. Payroll ensures that timekeeping and wage payments are done in compliance with Federal and State wage and hour laws, labor contracts and County Administrative guidelines. Payroll reconciles and remits mandated deductions for creditor garnishments, child support, bankruptcies, tax levies and union dues. Payroll reconciles and produces year-end tax statements for employees (W2's) and vendors (1099's) of Multnomah County following strict federal and state regulations.

Payroll protects County funds by ensuring that employment taxes, wage and tax statements, and pension payments are processed and remitted timely to avoid assessment of fines for noncompliance. The program supports the County's sustainability goals by providing electronic disbursements of wages to employees' financial institutions and providing paperless notification of their deposits. Currently 98% of employees participate in direct deposit, all employees receive notification of their pay slip through Employee Self Service.

### Performance Measures

Measure Type	Primary Measure	FY18 Actual	FY19 Purchased	FY19 Estimate	FY20 Offer
Output	Average number of payments issued per period*	7,123	7,200	7,127	7,200
Outcome	Percent issued without error*	99%	99%	99%	99%
Output	Percent of employees participating in Deferred Comp**	52%	62%	55%	58%

### Performance Measures Descriptions

\*Number of payments per pay period exceeds number of employees due to many employees having multiple direct deposits. Payroll has consistently maintained a high level of system accuracy (99%).

\*\*The percent of employees participating in the deferred compensation plan will measure the effectiveness and quality of the educational opportunities offered. The national average for participation is 45%.

## Legal / Contractual Obligation

Wage payments are mandated by Federal & State wage and hour laws, 12 union contracts, and Multnomah County Personnel Rules. Withholding and remitting employment taxes is mandated by the Internal Revenue Service and the Oregon Dept of Revenue. Pension contributions are mandated by union contracts, Multnomah County Personnel Rules and Oregon Revised Statutes. Failure to comply with these laws and regulations result in fines and penalties being assessed.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2019	2019	2020	2020
Personnel	\$1,003,912	\$0	\$971,921	\$0
Contractual Services	\$19,500	\$0	\$39,874	\$0
Materials & Supplies	\$21,759	\$0	\$18,468	\$0
<b>Total GF/non-GF</b>	<b>\$1,045,171</b>	<b>\$0</b>	<b>\$1,030,263</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$1,045,171</b>		<b>\$1,030,263</b>	
<b>Program FTE</b>	8.45	0.00	7.40	0.00

Program Revenues				
Other / Miscellaneous	\$155,718	\$0	\$162,030	\$0
Beginning Working Capital	\$0	\$0	\$19,116	\$0
<b>Total Revenue</b>	<b>\$155,718</b>	<b>\$0</b>	<b>\$181,146</b>	<b>\$0</b>

## Explanation of Revenues

This program is supported by General Fund revenues.

External revenues for the deferred compensation program are contractually negotiated with the County's deferred compensation provider through a revenue sharing agreement. All administrative costs associated with the program are paid for through the agreement. The revenue sharing enables the County to offer the program to employees at no cost to the County. The estimated reimbursement for FY 2020 is \$145,030 and is adjusted each following year by the CPI-W west coast A amount. In addition \$19,116 of BWC from FY 2018 FY 2019 is budgeted. The remaining \$17,000 is miscellaneous revenue.

## Significant Program Changes

**Last Year this program was:** FY 2019: 72007-19 FRM Payroll/Retirement Services

The implementation of Workday, our new ERP system, resulted in the elimination of certain Payroll functions performed by a single individual. That elimination of functions resulted in the reduction of 1.00 FTE which was classified in the budget as a Finance Tech but under-filled with an Office Assistant 2 classification (position #716130)