

Introduced by: City Manager Nathan Mai-Lombardo

**AN ORDINANCE OF THE CITY OF BERKELEY, MISSOURI, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH PAYCOR FOR PAYROLL AND HR SOFTWARE & MAINTENANCE (THE CITY COUNCIL HEREBY FIND AND DECLARE THAT AN EMERGENCY EXISTS WHICH REQUIRES THE IMMEDIATE PASSAGE OF THIS ORDINANCE FOR THE PRESERVATION OF THE WELFARE OF THE CITIZENS OF THE CITY OF BERKELEY.)**

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BERKELEY, MISSOURI, AS FOLLOWS:**

- Section 1.** The City Manager is hereby authorized to enter into and execute an agreement with Paycor to install and maintain Payroll and HR software.
- Section 2.** The agreement will be attached and hereby incorporated herein and made a part of this ordinance, as if fully set out herein.
- Section 3.** This Ordinance shall be in full force and effect from and after its date of passage.
- Section 4.** The City Council hereby find and declare that an emergency exists which requires the immediate passage of this ordinance for the preservation of the welfare of the citizens of the City of Berkeley.

1st Reading this \_\_\_\_\_ day of \_\_\_\_\_ 2023  
2nd Reading this \_\_\_\_\_ day of \_\_\_\_\_ 2023  
3rd Reading, PASSED and APPROVED, this \_\_\_\_\_ day of \_\_\_\_\_ 2023

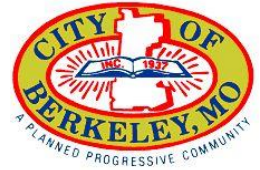
\_\_\_\_\_  
Babatunde Deinbo, Mayor

ATTEST:

\_\_\_\_\_  
Deanna L. Jones, City Clerk

\_\_\_\_\_  
Approved as to Form:  
Donnell Smith, City Attorney

Final Roll Call:			
Councilwoman Verges	Aye	___	Nay ___ Absent ___ Abstain ___
Councilwoman Williams	Aye	___	Nay ___ Absent ___ Abstain ___
Councilman Hoskins	Aye	___	Nay ___ Absent ___ Abstain ___
Councilwoman Anthony	Aye	___	Nay ___ Absent ___ Abstain ___
Councilman Hindeleh	Aye	___	Nay ___ Absent ___ Abstain ___
Councilwoman-at-Large Crawford-Graham	Aye	___	Nay ___ Absent ___ Abstain ___
Mayor Deinbo	Aye	___	Nay ___ Absent ___ Abstain ___



## MEMORANDUM

**TO:** Mayor Deinbo and Members of Council

**CC:** Deanna Jones, City Clerk, and Donnell Smith, City Attorney

**FROM:** Nathan Mai-Lombardo, City Manager

**DATE:** April 14, 2023

**RE:** New Payroll and HR software

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Mayor Deinbo and Members of Council –

Attached please find a proposal from Paycor for new HR and payroll software for our organization. We have had roadblock after roadblock with our current provider, Paylocity, and feel that it is past time for a change. Some of the problems we have had with Paylocity include, but are not limited to:

- Unresponsive and ineffective customer service and support;
- Inability to implement all of our holidays;
- Confusing user interface;
- Lack of financial features compared to other service providers;
- Frequently fails to capture clocking in and out, requiring fixing at a later time;
- In order to complete tasks (such as assigning a manger), it has to be done in multiple places in the system, creating needless work;
- Reports that are not created accurately.

Switching to Paycor would alleviate all these concerns.

This is a change that will increase efficiency, lower costs, improve access to employee benefits, and significantly increase the user experience for staff. We have been extremely impressed with their presentations on their product and its features and their local customer support. Paycor has also been adopted by several other local municipalities including Washington, O'Fallon, Swansea, Normandy, with more to follow.

This proposal is cost neutral annually; however, for the first year there will be a \$5,500 savings due to their current promotion. That is the reason for putting this proposal on the agenda as an emergency ordinance; acting swiftly saves the City money. I humbly ask for your approval on this proposal.

Please let me know any questions you might have.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan", written in a cursive style.

Nathan Mai-Lombardo  
City Manager

**Client:****City of Berkeley**

8425 Airport Rd

Saint Louis, MO 63134-1909

+1.314.524.3313

**Order for Services**  
**Prepared by Justin Buchheit****Pricing Summary****One Time Fees**

Setup Fees \$1,800.00

Clock Purchase \$0.00

**Net One Time Fees \$1,800.00****Annualized Fees**

Service Fees \$28,152.00

Year End Fees \$385.00

**Net Annualized \$28,537.00****First Year Investment**

One Time Fees \$1,800.00

Annualized Fees \$28,537.00

**Net Total \$30,337.00****Pricing Detail**

	Payrolls	Employees	Processes per Year
City of Berkeley	1	100	24
City of Berkley		100	24
	1	100	24

**City of Berkeley**  
**Per Payroll Processing Fees**

Service	Unit	Qty	\$ Cost Per	\$ Total
Pro Wage Garnishment	Each	1	\$3.00	\$3.00
Subtotal:				<b>\$3.00</b>

**City of Berkeley**  
**New Hire Filing Fees (Incurred per new employee)**

Service	Unit	Qty	\$ Cost Per	\$ Total
E-Verify Service	Per Active Employee	1	\$0.00	\$0.00
Subtotal:				<b>\$0.00</b>

**City of Berkeley**  
**Monthly Fees**



Service	Unit	Qty	\$ Cost Per	\$ Total
HCM Cor	Per Active Employee	100	\$13.00	\$1,300.00
ACA Per EE Fee			Included	0
Check Stuffing			Included	0
Electronic Custom Data File			Included	0
Employee Import			Included	0
General Ledger Report			Included	0
HR Support Ctr			Included	0
HR Support Ctr On Demand			Included	0
Labor Distribution			Included	0
Labor Law Poster			Included	0
New Hire Filing EVS			Included	0
Off-Cycle Payrun Fee			Included	0
Onboarding			Included	0
Online Check Stub			Included	0
Online Reporting			Included	0
Pay Options			Included	0
Paycor Analytics Plus			Included	0
Paycor Analytics Pro			Included	0
Paycor Compensation Planning			Included	0
Paycor Expense Management			Included	0
Paycor HR			Included	0
Paycor Pulse			Included	0
Paycor Report Builder			Included	0
Payroll and Tax Service			Included	0
Reporting Options			Included	0
Talent Management Bundle	Per Active Employee	100	\$2.40	\$240.00
Paycor Career Management			Included	0
Paycor Recruiting Pro			Included	0
Paycor Talent Development			Included	0
Workforce Management Pro Bundle	Per Active Time User	100	\$3.00	\$300.00
Paycor Scheduling Pro			Included	0
Paycor Time			Included	0
Paycor Time Geovalidation			Included	0
Paycor Time Points & Incidents			Included	0
360 401k Integration	Each	100	\$0.00	\$0.00
401(k) EDI Processing	Each	100	\$0.00	\$0.00
Electronic GL Monthly	Per Active Employee	100	\$0.00	\$0.00
Electronic GL Per Run	Per Active Employee	100	\$0.00	\$0.00
Employee Navigator	Per Active Employee	100	\$1.00	\$100.00
Job Costing Electronic GL	Per Active Employee	100	\$0.00	\$0.00
OnDemand Pay	Per Active Employee	1	\$0.00	\$0.00
Paycor Learning Library	Per Active Employee	100	\$2.00	\$200.00
Paycor Learning Management	Per Active Employee	100	\$2.00	\$200.00
The Work Number	Per Active Employee	1	\$0.00	\$0.00
Time Off Manager	Per Active Employee	100	\$0.00	\$0.00
			Subtotal:	\$2,340.00

City of Berkeley

Estimated Year End Fees (Actual value based on quantity of W2's processed. Amount varies by yearly number of

4811 Montgomery Rd., Cincinnati, OH 45212 | 855.551.2013

Unless otherwise stated herein, prices may be subject to change if this Order is not accepted by 05/13/2023

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employees)

Service	Unit	Qty	\$ Cost Per	\$ Total
ACA YE 1094 Fee	Each	1	\$0.00	\$0.00
ACA YE 1095 Fee	Each	100	\$0.00	\$0.00
W2 Base Fee	Each	1	\$37.50	\$37.50
W2 Processing	Each	100	\$3.48	\$347.50
			Subtotal:	\$385.00

City of Berkeley Implementation

Implementation Fees	Qty	\$ Cost Per	\$ Total
401KEDI Setup Fee	1	\$0.00	\$0.00
ACA Setup Fee	100	\$0.00	\$0.00
Electronic GL Setup Fee	1	\$0.00	\$0.00
Employee Navigator Setup Fee	1	\$0.00	\$0.00
Onboarding Setup Fee	100	\$0.00	\$0.00
Paycor HR Setup Fee	100	\$0.00	\$0.00
Paycor Learning Management Setup Fee	100	\$0.00	\$0.00
Paycor Recruiting Pro Setup Fee	100	\$0.00	\$0.00
Paycor Time Setup Fee	100	\$0.00	\$0.00
Payroll Setup Fee	100	\$18.00	\$1,800.00
		Subtotal:	\$1,800.00



**Order Summary for City of Berkeley**  
8425 Airport Rd, Saint Louis, MO 63134-1909  
+1.314.524.3313

**City of Berkeley (Semi-monthly processing on MM - HCM Core Pricing solution)**

	Occurrences	\$ Cost Per	\$ Total
Per Payroll Processing Fees	24	\$3.00	\$72.00
Monthly Fees	12	\$2,340.00	\$28,080.00
Estimated Year End Fees	1	\$385.00	\$385.00
Annualized Total			\$28,537.00

**City of Berkeley Total**

	\$ Total
Per Payroll Processing Fees – Annual Total	\$72.00
Monthly Fees – Annual Total	\$28,080.00
Estimated Year End Fees – Annual Total	\$385.00
Annualized Total	\$28,537.00
Implementation Fees	\$1,800.00

The client specified above ("You," "Your," or "Client"), has executed this Order for Services ("Order") as of the date set forth below for the products and services identified herein and any subsequent Order issued hereunder. This Order, and any subsequent Orders provided thereunder, and Your receipt of any products or services are governed by and subject to the Provider Terms and all applicable additional terms (each as defined in the Provider Terms, collectively 'Provider Terms'), a copy of which can be accessed at <https://www.paycor.com/terms-and-conditions-01feb2023/> (which may be updated from time to time). You acknowledge and agree that Your signature below constitutes Your consent to be bound by this Order, the Provider Terms and any Third-Party Terms (if applicable, as defined in the Provider Terms), and all other applicable terms for services You order. All capitalized terms herein as defined in the Provider Terms.

**Monthly Fees**

**Bundled Pricing:** If Client purchases Paycor Services that are subject to bundled pricing, Paycor will begin billing Client monthly Fees for the month during which Client first processes payroll.

**Non-Bundled Pricing:** If Client purchases Paycor Services which are not subject to bundled pricing, Paycor will begin billing Client for Fees either for the month during which the Paycor Service is activated or when Client first processes payroll, whichever occurs later. Paycor will bill all recurring monthly and per processing fees at minimum once per month.

Prices for in-application purchases are not included in this Order and will be included in the invoice following the in-application purchase.

**Year End Fees:** Paycor will bill year end fees following the provision of year-end services.

**Miscellaneous Fees:** Any miscellaneous fees accrued will be included on Client's next regular invoice.

**Payment Terms:** Client will pay all invoices in accordance with the due date set forth on such invoice.

**Volume Based Pricing:** The prices for certain Services as set forth on this Order may be volume and/or transaction based and totals reflected on the Order are based upon estimated volumes as specified by the Client. You will be invoiced based upon the actual quantity of Units as outlined in this Order.

**Minimum Volume or Fee Requirements:** Certain Services may also be subject to a minimum employee count or minimum fee requirement. If You do not meet the minimum requirement for the applicable Services, You may be assessed a minimum fee for such monthly period. Any minimum fee will be considered a Miscellaneous Fee.



**Clocks:** If Client rents or purchases Clocks with time services, the following language shall apply:

**Rented Clocks:** Unless otherwise set forth in the applicable Order, all fees for Rented Clocks shall begin (and shall be invoiced from) the first day of the month in which the Rented Clock is shipped to Client (unless that Rented Clock has been returned) regardless of when in the month those Rented Clock(s) are ordered and shipped to Client.

**Purchased Clocks:** The purchase price for the Purchased Clocks is the amount set forth on the Order (which includes the clock price and an extended warranty), which will be billed and shall be paid by the last day of the month in which the Purchased Clock is shipped to the Client.

#### **Additional Terms**

**Implementation Recovery Fee.** Notwithstanding anything to the contrary in the Agreement, You understand and acknowledge that as a result of entering into this Agreement: (a) Paycor will expend material time and effort to onboard You into Paycor systems; (b) any Implementation Fees paid by You to Paycor do not fully cover the cost of such onboarding; and (c) that You will owe Paycor a fee ('Implementation Recovery Fee') as consideration for such onboarding efforts in the event that:

(i) Unless otherwise mutually agreed by the parties, You do not commence processing of payroll prior to the six-month anniversary of the effective date of this Agreement, in which case, Paycor may bill the Implementation Recovery Fee after the six-month anniversary of the effective date of this Agreement;

(ii) You request to terminate the Agreement prior to your first payroll run date, in which case, Paycor may bill the Implementation Recovery Fee upon your request to terminate the Agreement prior to your first payroll run date, or;

(iii) You fail to reasonably participate in or cooperate with Paycor's implementation of the Services as determined within Paycor's reasonable discretion, in which case, Paycor may bill the Implementation Recovery Fee upon your failure to reasonably cooperate with or respond in a reasonably timely manner to Paycor's efforts to implement the Services prior to your first payroll run date.

The foregoing Implementation Recovery Fee will be not charged if any of (i) (ii) or (iii) result from an uncured material breach of this Agreement by Paycor, as determined within Paycor's reasonable discretion.

Such Implementation Recovery Fee will be in an amount equal to one-half of the 'Annualized Total' provided above, less any amounts actually paid by You under this Agreement (other than Implementation Fees). For the purposes of this section Annualized Total is defined as \$28,537.00. Paycor's collection of the Implementation Recovery Fee shall not limit Paycor's right to collect any such amounts as otherwise provided in the terms of the Agreement.

Early Termination Fee Acknowledgement. Initial Here: \_\_\_\_\_

**Implementation Fees.** Notwithstanding anything to the contrary in the Provider Terms, Paycor will bill Client fifty percent (50%) of the total Implementation Fees within seven (7) days of Client signing the Agreement and the remaining fifty percent (50%) of the total Implementation Fees will be billed when Client first processes payroll. If Client and Paycor have signed a Statement of Work, Paycor will bill for services monthly as delivered. Implementation Fees are non-refundable.

Provider will provide You with promotional credits (the 'Credits') equal to any monthly fees incurred in using Provider's HCM Cor service for the first 4 (four) months commencing the month of Your first payroll run date. The parties understand and agree that neither Implementation Fees nor any other Payroll-related fees (including without limitation paycheck shipping and handling fees) are a part of the offer and that all fees other than the monthly or per-processing payroll fees (excluding delivery) will remain payable by You according to the terms of this Order and the Provider Terms.

Prices may be subject to change if this Order is not accepted 2023-02-08

Except for miscellaneous fees and certain other costs, including but not limited to delivery fees, NSF fees, wire transfer fees and EFT reissue fees, the prices set forth on this Order are guaranteed for 48 (forty-eight) months from the date of Your first payroll run date (the "Price Lock Period").

Notwithstanding anything to the contrary in the Agreement, Provider will provide You with Provider's W2 Processing Fee associated with W2s for calendar year 2023 at no cost. Thereafter, the Provider W2 Processing shall be billed at the rate(s) set forth in the Order. The parties understand and agree that neither Implementation Fees nor any other service fees (including without limitation paycheck shipping and handling fees) are a part of this offer and that all fees will remain payable by You according to the terms of this Order and the Agreement.

**Paycor Learning.** Client agrees and understands that the Paycor Learning Management service and the Paycor Learning Library offering has a minimum quantity of 50 active employees. If the number of active employees is less than 50, Client will be billed for 50 active employees at the \$ Cost per Unit rate included above. Notwithstanding the foregoing, if Client is are part of an affiliated group of entities that also subscribe to Paycor Learning Management and/or Paycor Learning Library, the minimum quantity of 50 active employees requirement will be shared by the affiliated group of entities collectively. If the affiliated group of entities collectively does not meet the minimum quantity of 50 active employees requirement, the client in the affiliated group of entities with the lowest client ID number assigned by Paycor will be billed for the additional quantity to meet the minimum quantity of 50 active employees requirement. Further, the Paycor Learning Library will be added to all affiliated group of entities that subscribe to the Paycor Learning Management Service offering.

**OnDemand Pay.** As part of the services to which you are subscribing, you will have access to Pay on Demand ('Payactiv Services') provided by Third-Party Provider, PayActiv, Inc ('PayActiv'). In order to access any of the services offered by PayActiv, please executed the Program Summary Form. By accessing any of the Payactiv Services, you confirm that you have read, understand, and agree with the Program Summary Form and the terms and



conditions referenced therein. You acknowledge that Payactiv Services are 'Third-Party Products' as provided under the Provider Terms and consents to Provider sending the Program Summary Form and the data included therein to PayActiv.

**The Work Number Service.** The Work Number service (the 'The Work Number Service') is a service that provides subscribing employers with an automated method of providing employment and income verifications to authorized third parties. If Client subscribes to The Work Number Service, it consents to data transmissions between Provider and the third-party provider, TALX Corporation, a wholly owned subsidiary of Equifax, Inc. and a provider of Equifax Workforce Solutions. By subscribing to The Work Number Services, Client agrees to allow TALX Corporation to act on the behalf of the Client when working with an authorized third party ('Verifier') making a request with a federal Fair Credit Reporting Act ('FCRA') permissible purpose to verify employment and/or income information ('Employment Data') in connection with The Work Number Service. The type of Employment Data that may be exchanged under The Work Number Service may be found at <https://www.paycor.com/wp-content/uploads/2021/12/The-Work-Number-Employment-Data-List.pdf>. Client authorizes Provider to transmit Employment Data entered into Provider Products and Services to TALX Corporation on behalf of Client in order to furnish TALX Corporation with the data needed to provide The Work Number Service. As the furnisher, Client further agrees to comply with its obligations as a furnisher as defined in FCRA and as set forth in the NOTICE TO FURNISHERS OF INFORMATION: OBLIGATIONS OF FURNISHERS UNDER THE FCRA which may be found at <https://www.paycor.com/wp-content/uploads/2021/12/The-Work-Number-Notice-to-Furnisher-of-Information.pdf>.

**Labor Law Poster.** With the Labor Law Poster service, you will have access to Poster Elite's E-Update Service ('Poster Elite Service') provided by Third-Party Provider, Elite Business Ventures, Inc. To activate the Labor Law Poster service, you must fill out an information request form that will be provided or made available to you as part this service. By accessing the Poster Elite Service, you confirm that you have read, understand, and agree with the terms and conditions for the Poster Elite Service located at [www.PosterElite.com/eupdate\\_terms\\_of\\_use](http://www.PosterElite.com/eupdate_terms_of_use). You also acknowledge that the Poster Elite Service is a 'Third-Party Product' as provided under the Provider Terms and consent to Provider sending information needed to fulfill your order, including contact and shipping information to Elite Business Ventures, Inc.

**Client Acknowledgements; Representation.** You acknowledge and agree that: (i) this Order may be considered an application for credit; (ii) You authorize Provider to investigate Your credit including vendor references, bank account status and history, and the personal credit of the owner(s) and/or principal(s); and (iii) Provider may elect not to provide certain Provider Services (as defined in the Provider Terms) requested by You based upon factors determined to be relevant by Provider in its sole discretion, including, without limitation, Provider's review of Your credit history.

**No Order, Supplement Agreement, Other Agreement or the Provider Terms may be modified or amended except by a separate written amendment executed by authorized representatives of each party. Handwritten changes and modifications, even if initialed, are invalid and shall be of no force or effect.**

Client is properly authorized to execute this Order and all internal approvals that the Client may require have been obtained prior to the Order being executed. By signing this Order, I certify that I am authorized to sign on behalf of the Client and agree to the terms of this Order and any documents incorporated herein.

Paycor Inc.	Client: City of Berkeley
By	By
Name	Name Nathan Mai-Lombardo
Title	Title
Date	Date