



## The Corporation of the Town of Tecumseh

Financial Services

**To:** Mayor and Members of Council

**From:** Tom Kitsos, Director Financial Services & Chief Financial Officer

**Date to Council:** September 13, 2022

**Report Number:** FS-2022-09

**Subject:** Payroll Process Review Update

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### Recommendations

It is recommended:

**That** Financial Services report FS-2022-09 Payroll Process Review Update **be received**;

**And that** Administration **report back** to Council with a further update following results of our upcoming Vadim Business Specialist review.

### Background

The Town currently processes payroll in-house through our Vadim Payroll module. Our payroll process includes many manual exercises, including the completion of physical timesheets, repetitive timesheet data input, and manual recording and reconciliation processes in excel worksheets.

Administration sought grant funding through the Province's Municipal Modernization Program – Intake 2 (MMP-2) via Council Report CAO-2021-05, to engage experts in the field to review our current operations and identify opportunities for efficiency improvements, which were expected to include enhanced use of technology to modernize and streamline our payroll process.

The Town was successful with its application through MMP-2 and engaged the services of Blackline Consulting in 2021 Q4 to undertake a review of our payroll process and provide recommendations for improvement.

The Payroll Process Review was completed by Blackline Consulting in January 2022 including a presentation to Council and recommendations that were summarized in Council Report FS-2022-02.

## Comments

The consultant's recommendations within the Payroll Process Review Report focused primarily in two areas:

- Automation of time capture and workflow (staff self-serve portal), and acquisition of a time capture solution; and
- Investigation of enhanced potential, or replacement, of the Town's existing financial software.

The report also identified two aspects of the Town's payroll and benefits structure that are different from common practice at most municipalities, those being weekly payroll processing and the separation of time reporting attendance and benefits administration from Finance to Human Resources. The report also included implementation considerations should the Town wish to align with common practice.

Administration's workplan to implement the recommendations of the report must follow a stepped approach due to the following factors:

- Vadim Software is the Town's Enterprise Resource Planning (ERP) tool, i.e. it is used for many purposes, including Payroll, Property Taxation, Accounts Payable, Accounts Receivable, Cash Receipting and Building Permits, and impacts all employees.
- Greatest potential benefit is the acquisition and implementation of a time capture solution. This also ranks as the recommendation with greatest difficulty to implement and was identified by the consultants as an area of weakness for Vadim.

To date Administration has taken the following steps:

- Forwarded the consultant report to our Vadim representatives in February and arranged for a Vadim Business Specialist to review our process and system configuration, and provide recommendations to improve efficiency. Unfortunately, due to capacity constraints with Vadim Business Specialists, the earliest the review could be scheduled is October 2022.

- The review is scheduled to be undertaken in October spanning a period of 2-3 weeks with recommendations expected in late 2022 Q4.
- Following our circulation of the report to Vadim, our Vadim representative advised that although their existing time and attendance software offering was not popular with clients, they do have a much better option now available to Vadim customers; that being the time and attendance software of a related company which is compatible with Vadim. We have reached out to a current Vadim user who uses this solution and have received a favourable response.
- Both the Finance Department and People and Culture Division have received information of this potential time and attendance solution and will coordinate a demonstration, provided the outcome of the Vadim Business Specialist review is fruitful.
- Administration has also reached out to other time and attendance software providers, including those recommended by our consultant as being compatible with Vadim. Demonstrations will be requested, pending results of the above noted review.

## **Consultations**

Chief Administrative Officer and People & Culture  
Technology & Client Services  
Other Vadim User

## **Financial Implications**

The Vadim Business Specialist review will cost \$5,175 and will be funded through the 2022 Approved Technology & Client Services Professional Fees operating budget.

## Link to Strategic Priorities

<b>Applicable</b>	<b>2019-22 Strategic Priorities</b>
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that Tecumseh’s current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh’s plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town’s “continuous improvement” approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town’s leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Tom Kitsos, CPA, CMA, BComm  
Director Financial Services & Chief Financial Officer

Reviewed by:

Michelle Bonnici, B.A., LL.M  
Director People & Culture

Recommended by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
None	None