

### **Payroll Requirements – Draft**

Our current payroll system is part of the legacy OASES platform; however, as MS Dynamics 365 does not offer a payroll capability, the GS/OAS has, after market research, decided to build its own cloud-native system, whether fully developed on the MS Azure infrastructure, the BPM platform or a combination of both. The new system shall maximize the use of open source technology, minimize use of Oracle JDK to avoid java subscription cost, and be directly integrated with MS Dynamics, the BPM platform and with the UN Systems (assuming the latter is possible). This effort, while in scope and part of the integrated project schedule, shall be priced separately to be evaluated against our budget requirements.

The GS/OAS payroll function is centralized at the GS/OAS headquarters in Washington, DC. The organization currently runs 24 payroll processing cycles per year for approximate 500 staff employees located in the US. The GS/OAS runs 4 additional payroll cycles per year (Quarterly) with the purpose of reimbursing taxes to approximate 150 GS/OAS staff employees that are US citizens and hence, carry a US tax liability. The GS/OAS does NOT issue any W2s to these 150 US Nationals; however, does issue 1099s to consultants at year end.

The GS/OAS also runs 12 payroll processing cycles for approximately 30-35 staff employees located at the GS/OAS National Offices across 30 countries in the American hemisphere with 20 different local currencies. The GS/OAS uses the United Nations (UN) salary scale as well as per diem system and registers the accounting in US dollars with United Nations Exchange Rates (conversion rates), Liability Accruals, Tax Reimbursement, Payroll Register and Gross to Net.

Based on the assumption that no important business rules / policies would change, the following starting point functionality with which our payroll system would require to stand:

#### **Human Resources**

- Integration with the human resources processes including all changes in personnel that have an impact on payroll including taxes
- Secure self-serve and mobile ability for users to access payroll information (paystubs, balances, etc.)

#### **Compensation Administration**

- Integration with UN for the update of base salary (salary scale) and other values such as Post Adjustment. Headquarters (USD) and national offices in local currency.
- Multiple payments methods capability
- Management of assigned earnings, deductions and benefits for personnel in Headquarters as well national offices (local currency).
- Overtime pay processing.
- Management of compensation for administrative leave/military duty or similar situations
- Multiple position's financing fund including funding by projects
- Dynamism of change of the calculation results (formulas) of earnings, deductions and benefits (such as Insurance, retirement, etc.).

- Integration of deductions sent by other OAS administrative systems (such as the travel claim system), and other institutional agreements such as staff association dues or Credit Union's deductions.
- Paid Time Off calculation

### Payroll Management and Processing

- Consolidated verification of rules used to process payroll (i.e. work hours), eligibility, etc.
- Payroll processing for positions with multiple financing funds including funding by projects.
- Prepare, schedule and track payrolls.
- Payroll Processing.
- Bank transfer of payments to employees (direct deposit)
- Synchronize payroll costing with the general ledger system (GL).
- Generation of payroll cost accounting including personnel funding by projects

### Tax Services

- Calculation of federal and state taxes on payroll results transactions in compliance with existing tax rules and information from HR.
- Taxes sending (deposit) directly to the IRS (EFTPS)

### Reporting

- Generate Payroll reports
- Forecasting financial costing

### Proposed Payroll Process – subject to change based on vendor's recommendation

