



## **Payroll Services – What You Need to Know**

### **Overview**

Payroll activities continue to increase in complexity for county governments and preparing payroll is a time consuming and tedious task taking hours out of a day that counties could probably spend on more important government functions. Required electronic remittances of taxes in many instances create situations where governments may be forced to buy more expensive software than they have currently been using. Hiring a payroll preparation service is a great way to get this time back without the expense of hiring a full time bookkeeper or accountant to make routine calculations and file payroll documents.

### **Why Do Counties Need to Consider a Payroll Service?**

Accuracy and efficiency are the top two reasons noted as to why payroll preparation services are chosen. Payroll services are professional companies that devote all of their time and resources to processing paychecks, making tax calculations, and preparing to allocate employee pay amounts correctly. Many governments hire a payroll services company for the peace of mind that comes with accurate calculations. When it comes to tax amounts, employee benefits, wages, and flexible spending accounts, you can't afford to make mistakes. A late or error-ridden filing will result in penalties and fees in an overwhelming majority of cases. Payroll services companies know how to avoid these mistakes.

Payroll service companies specialize in employee wage preparation and can typically process payroll in minutes rather than hours. There is no need to calculate benefit amounts, sick or vacation pay allotments, or disbursements to employee benefit or savings accounts. Counties may simply enter in the amount of hours (or sick or vacation days for salaried employees) and other pay information (commissions, bonuses, etc.) and the service does the rest of the work. This usually results in a significant savings to a county.

A payroll service is also efficient in the way that records are stored and accessed. Easy electronic access can also be granted to your auditor for information and reports needed related to payroll. Employees typically can also have access to their pay information and leave balances 24 hours, seven days a week.

### **Is Governmental Experience Necessary in Payroll Services Provider?**

Yes. Governments have multiple funds and departments that businesses are not accustomed to having creating interfund accounting transactions during the payroll process. Human resources policies and procedures as well as leave policies are often much more extensive for a government. As counties continue to stretch their budgets it is not uncommon for employees to charge their time to multiple departments. Finding a firm that is familiar with how a local government operates and the uniform chart of accounts required for Georgia local governments is important.

### **What Should I Do Next?**

Because of her depth of understanding of county government operations and cost-competitive pricing, ACCG has entered into a Preferred Partnership with Capable Financial Solutions, Inc. for payroll processing. Contact Sabrina Wiley Cape, CPA and her firm, Capable Financial Solutions, Inc., at [cape@capablecpa.com](mailto:cape@capablecpa.com) or 877.722.4915 or Randy Hartmann with ACCG at [rhartmann@accg.org](mailto:rhartmann@accg.org) or 404.522.5022 ext. 123, to determine if the payroll service is right for your county.