

How To Switch Payroll Providers Mid-Year

This checklist offers you high-level guidance on mid-year payroll conversion processes. Discuss your needs and requirements with potential providers thoroughly and insist upon system demonstrations from those you're giving serious consideration.

For your convenience, this checklist is organized into four sections. These sections highlight key factors, features, and benefits to consider when evaluating solutions.

1. Questions to Ask
2. What You'll Need to Provide
3. Common Conversion Challenges
4. Mid-Year Payroll Conversion Tips

Good luck with your mid-year payroll conversion! Feel free to reach out to us for additional guidance or insights on choosing the right payroll provider. Email us at sales@apspayroll.com or call 855.945.7921.

Anytime is the Right Time to Make a Change

Switching payroll providers can be an overwhelming process. However, you don't have to wait until the beginning of the year to make a change. Mid-year can be a great time to convert to a new payroll provider. When going through a mid-year payroll conversion, there are many factors to consider, such as:

- Ensuring the switch doesn't disrupt daily business operations
- Making sure tax payments are up to date
- Securing a complete payroll history
- Considering how your new payroll system will integrate with other business investments

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Questions to Ask

During your evaluation process, ask the following questions to determine if a payroll provider will handle your mid-year conversion accurately:

- [ ] Who will be involved in the conversion process?
- [ ] Will your unique needs be communicated from your sales representative down the line to ensure proper data set up? How is this done?
- [ ] Will there be a project plan with clear deadlines?
- [ ] Will the provider perform a data conversion to import your payroll and employee history into their system?
- [ ] Will a payroll assessment be conducted to reconcile your data history?
- [ ] Will the provider run parallel payrolls before the first live payroll submission to confirm data and tax settings are correct?
- [ ] Does the provider offer integrations with other systems you use (i.e., retirement plans and general ledger packages)?
- [ ] Will the provider conduct live training using your company data?
- [ ] Will you have a dedicated account team who is easy to reach via phone, email, or chat?
- [ ] Will the provider ensure you are getting the most of your investment? If so, how?
- [ ] Does the provider have solutions specialists on staff to help with more complex questions and needs?
- [ ] Does the provider offer a help center with additional Report Fringe Benefits resources at your disposal?

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What You'll Need to Provide

During your evaluation process, ask the following questions to determine if a payroll provider will handle your mid-year conversion accurately:

- [ ] Employee list with social security numbers and addresses
- [ ] Direct deposit information for each employee
- [ ] Copies of employee W-4s
- [ ] Copies of any garnishment orders
- [ ] Deduction list for any employee deductions (i.e., health insurance, 401K)
- [ ] Employee email list
- [ ] Company tax ID numbers (federal, state, and local)
- [ ] Company bank account information
- [ ] State unemployment rates for all states that you report
- [ ] Copies of current year Form 941 payroll filings (if available)
- [ ] Year-to-date payroll summary by employee and by quarter
- [ ] List of any outstanding issues with federal, state, and local agencies with copies of all correspondence

Our Mission is to Make Payroll and HR Easier



Common Conversion Challenges

Payroll is a complex process, and there can be many potential challenges when converting to a new payroll provider mid-year.

Here are some of the most common challenges that can arise and what you can do to tackle them:

Data Errors

Giving your new provider a payroll summary report is the best way to provide a complete picture of your payroll history. Either this report is available in your previous payroll system, or you can request one from your former provider.

Multiple Pay Frequencies

If your company pays its employees on different frequencies, make sure your provider has the flexibility to handle varied payroll processing. Many payroll systems allow you to create various departments or pay groups and apply different frequencies as needed.

Complex Payroll Processing

Many providers not only manage multiple pay rates but also integrate with any existing business investments you may have (i.e., retirement plans, general ledger packages, time tracking systems). Check to see if your provider can pull data from all these systems and ensure everything imports correctly into their solution.

Complex Payroll Taxes

Many payroll providers have a staff of certified payroll tax experts who can help you handle federal, state, and local taxes. They can also assess your current payroll taxes to determine if you have been potentially underpaying or overpaying. This expertise will reduce your compliance risk and potential for fines and penalties.

Questions? Call or Click!

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Mid-Year Payroll Conversion Tips

Lastly, here are a few tips from our tax experts so you can confidently switch payroll providers:

Double Trouble

Check with your previous payroll provider or tax service to determine if they have already paid your unemployment taxes. Chances are, they have, and you don't want your new provider to double pay.

The Break Up

If your new provider is also handling your payroll taxes, be sure to cancel your previous tax service to avoid duplication of filing and payments.

End On A High Note

If you're planning to switch providers at the end of a quarter, be aware the payroll assessment period will be shorter. Your new provider can expedite this process to meet your go-live date. However, your tax catch up and history verification need to be prioritized depending on whether you have already paid your taxes.

Playing Catch Up

Most payroll vendors won't file for previous quarters since this is your previous provider's responsibility. However, your new payroll provider can check to make sure your last quarter's data is correct.

4.6 out of 5

Payroll Satisfaction Rating
Since 2014



Best Software

APS is a G2 Top-Rated Payroll and HR Provider Since 2014 Based on Customer Feedback.

> *It's a very clean and organized payroll solution. Everything is in one spot, one website, and you can see anything you need regarding payroll. It is easy to add employees, very straight forward. APS also does the 1095's for me, tracks reviews, benefits, and accruals.*
>
> Chris Thomas, Controller

> *The customer service from APS is by far the best I have ever received...The individual attention that we received during implementation, along with the continued support we receive from our dedicated account team, is wonderful.*
>
> Christine Keeling, Financial Controller

> *APS is a very user-friendly software. If I ever have any issues, my support team at APS is always ready and available to help. It's web-based, so if I ever have the need I can work from home. They continue to make updates to the program and add new features. We are a growing company, and APS continues to meet our needs.*
>
> Sonya Miller, Payroll Supervisor

About APS

APS has a mission: to make payroll and HR easier. We provide our clients and partners with intuitive technology delivered with personalized service and support. Our unified solution is designed to simplify workforce management tasks. Process payroll in hours, not days. Automate HR workflows to be more strategic. Elevate the employee lifecycle with a single-system platform. We are APS, your workforce partner.

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