Nonprofit Buyer's Guide

aps

Your Workforce Partner

INTRODUCTION

Researching payroll and HR solutions for your nonprofit organization can be overwhelming. Having the right resources such as this Nonprofit Buyer's Guide can help you make a more informed decision. This guide highlights critical factors addressed by best-in-class payroll and HR solutions for nonprofits. You'll find a list of essential features and benefits to consider in each section when comparing and evaluating systems.

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This guide offers high-level information on choosing a workforce management solution. However, it's intended to help only with your initial evaluation process. Be sure to discuss your needs and requirements with potential providers thoroughly and insist upon system demonstrations from those you're giving serious consideration.

Good luck with your search! Feel free to reach out to us for additional guidance and insights on choosing the best workforce management solution for your business.

Email us at sales@apspayroll.com or call 855.945.7921.

IT'S TIME TO MAKE PAYROLL AND HR EASIER FOR YOUR NONPROFIT ORGANIZATION

Payroll and HR solutions for nonprofits can be challenging, especially when trying to streamline HR administrative processes such as fund allocation, budgeting, payroll taxes, and more. Every nonprofit organization has its own system, and states may have different regulations. It's essential to find a solution that streamlines your paper-based processes so you can prioritize your organization's mission.

FACTORS TO CONSIDER

- Using a unified solution with information in a central location for immediate visibility.
- Managing and paying varied employee types accurately and efficiently.
- Tracking and allocating employee and volunteer wage expenses to funds and grants.
- Managing confidential employee data.
- Staying current with compliance issues.
- A seamless screening process for qualified candidates.
- Using real-time analytics and dashboards for snapshots of your nonprofit's performance.
- Recruiting, applicant tracking, and onboarding tasks.
- Enabling employee self-service for nonprofit HR solutions.
- Keeping up with federal, state, and local regulations.
- Managing company risk factors.
- Integrating accounting, general ledger, and 403(b) applications.

APS makes payroll and HR easier for public charities, member organizations, social service providers, foundations, and other nonprofit organizations across the nation with award-winning software and support. G2 has recognized our all-in-one solution as a Top 100 Highest Satisfaction and Top 100 Software Product based on user feedback. We're here to help nonprofits manage time and attendance business rules, labor reporting by funds and grants, changing environment and government regulations, and more.

"With the large payroll company we used before, we were a little fish in a big sea of customers. Whenever we had a problem or a question, we had to re-explain our scenario every time, and we never felt important. With APS, they recognize our voice when we call; they care about our mission, and the personal care we have consistently received has been exceptional."

— Chris Horne, The Arc of Caddo-Bossier

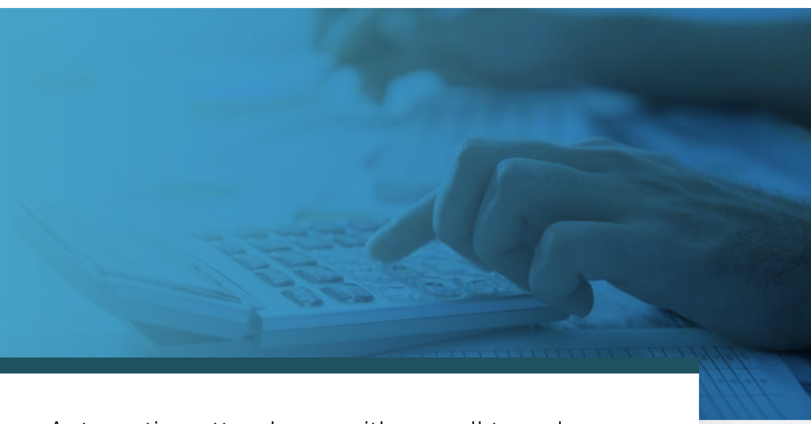
NONPROFIT PAYROLL

Using an all-in-one payroll and HR platform allows you to stop spending your workday dealing with reactive tasks like tracking hours worked per grant and maintaining 501(c)(3) status. An ideal solution provides the flexibility to automate special taxation processes, grant and fund allocation, administrative tasks such as open enrollment, and payroll processing in the same system.

Choose a system that helps with managing time tracking, overtime reporting, and regulatory compliance. What you want is an HR software and payroll service that streamlines your paper-based processes so your nonprofit can remain mission-driven.

Partner with a provider who automatically updates federal, state, and local tax tables and offers a built-in error-checking alert for potential issues and company policy violations.

WHAT TO LOOK FOR



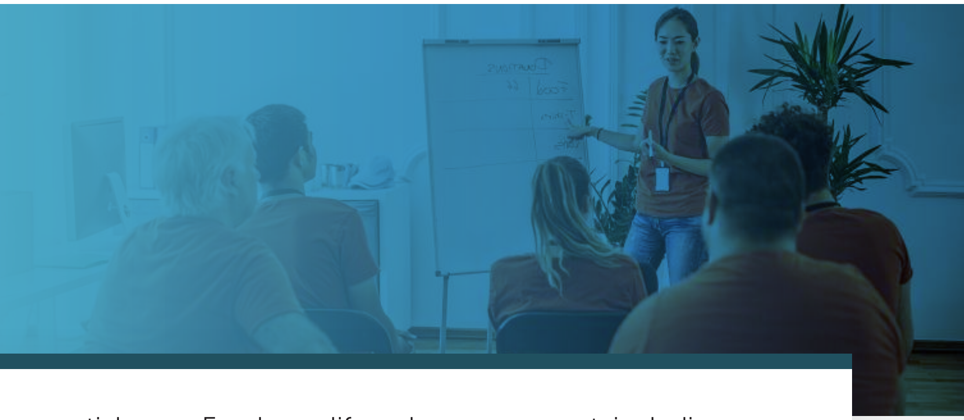
- Manages and pays varied employee types accurately and efficiently.
- Tracks salaries and hours worked by multiple dimensions such as grant, fund, and project.
- Ability to allocate salary and hourly employees into multiple grants, funds, and projects.
- A self-service nonprofit HR solution for employees to clock in and out on their mobile devices.
- Support for nonprofit HR administrators regarding any software-related questions.
- Automating attendance with payroll to reduce time spent on PTO requests and timesheets.
- Electronic storage of federal and state forms like I-9s and W-4s to ensure compliance.
- Real-time analytics and dashboards to gain cross-location visibility into your nonprofit organization's metrics, including labor expenses and volunteer hours.
- Built-in Affordable Care Act solution to manage your nonprofit organization's compliance and reporting.
- A certified team of tax experts to help you manage nonprofit payroll tax compliance for 501(c)(3) organizations.

NONPROFIT HR

HR professionals need a convenient and centralized view of their entire workforce. They require the ability to input, track, and manage workforce data easily. Nonprofit HR managers' roles include assigning tasks, viewing outstanding jobs, and delegating responsibilities to managers. Therefore, they must maintain control of these processes and streamline them when possible.

Look for a system that has a single data entry point and login. A single-system design will save you time and money by eliminating duplicate data entry and the potential for errors.

WHAT TO LOOK FOR



- Analytical tiles and dashboards that bring essential HR data to the surface, like turnover rates and overtime trends.
- Real-time data syncing between HR and payroll workflows, so information is always accurate.
- User-friendly and comprehensive benefits administration with online employee enrollment.
- Carrier connections that integrate with benefit providers to report benefits information quickly and accurately.
- The ability to track all HR information in a single system.
- COBRA administration to track qualifying events, meet coverage requirements, and reduce non-compliance fees.
- Employee lifecycle management, including performance reviews, event tracking, and asset tracking.
- Role-based configuration, so admins, managers, and employees have access to the specific data they need.
- Training course management, including employee and volunteer registration, tracking, and completion.
- Electronic signature feature for employee documents.
- Asset tracking for ID cards, laptops, and other types of equipment for reduced administrative burden.

NONPROFIT ATTENDANCE ALLOCATION

Best-in-class workforce management solutions include comprehensive time and attendance allocation that leverages manager and employee self service. This approach will decrease labor costs and reduce your compliance risks.

Consider solutions that feature real-time views into clock-in statuses, advanced clock views, and the ability to assign supervisors to employees based on company structure. Multiple time capture solutions, such as biometric verification and mobile clock-in, can streamline time tracking processes further.

WHAT TO LOOK FOR

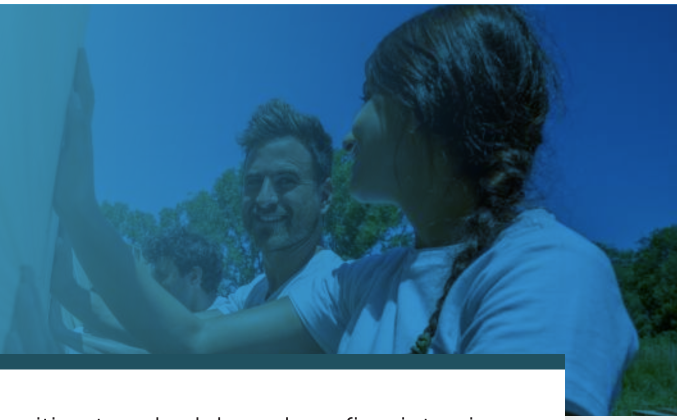
- Ability to track and allocate employee and volunteer hours to grants and funds using dimensions.
- Time clock and self-reporting options for capturing time worked.
- Action and informative tiles and dashboards with essential attendance data for proactive management.
- Time data is captured in the same database as payroll data for accurate payroll processing.
- Flexible configuration to track and manage worker classifications and volunteers.
- Accruals tracking that automates business rules, such as length of service and maximum carryovers.
- Ability to create and assign schedules to control labor costs better.
- Electronic request and approval process for PTO management.
- e-Signature option for time cards, so employees and managers can sign them from any device.
- Time card records locking once payroll is processed to ensure consistency with pay history.
- Daily digest emails with alerts for time off requests, missed punches, and employees in overtime.
- Time capture options for different employee types, rates of pay, and locations.
- Daily labor expense reporting for better management of regular and premium pay.
- Employees have access to time cards to view hours worked and vacation scheduled with the option for editability.

NONPROFIT RECRUITING

Managing your nonprofit organization's hiring, HR, and payroll workflows in the same system eliminates duplicate data entry. A nonprofit recruiting solution allows you to track candidates, as well as review applications and resumes. The hiring process is more manageable with job description templates that you can instantly tweak and post to major job search sites.

Nonprofit recruiting software also provides the flexibility to choose candidates for interviews, send invitations, and reserve appointments in real-time. Streamline your evaluation process with tools that allow you to choose the right hires consistently.

WHAT TO LOOK FOR



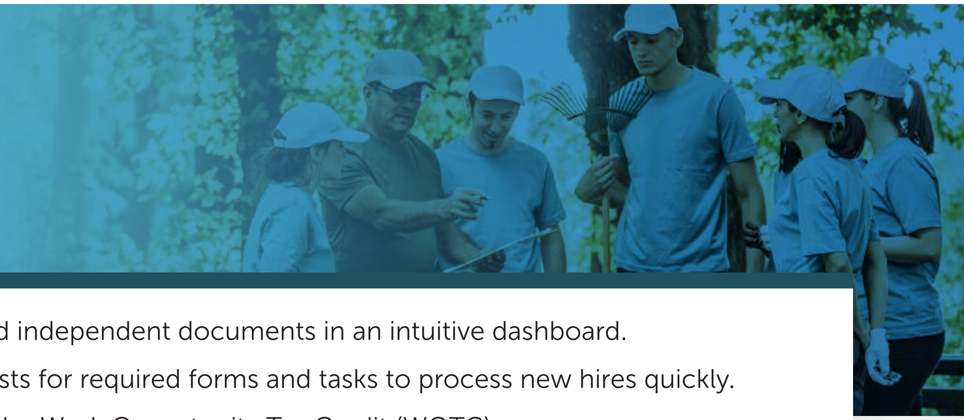
- Automatic job posting to major websites, including Glassdoor and SimplyHired, with central management of applications.
- Optimized job postings with detailed job descriptions and one-click mobile apply integrations with sites like Indeed and ZipRecruiter to ensure suitable applicants apply.
- Additional job promotion options, including social media integrations, employee referrals, and email templates.
- Configurable careers page to showcase your company and make an excellent first impression.
- Mobile-optimized job applications for a more streamlined applicant process.
- Walk-in candidates can electronically apply for accurate information tracking.
- Prescreen automation to identify top applicants and remove unqualified candidates.
- Text recruiting to schedule and confirm interviews for quicker response rates.
- Streamlined interview scheduling with an in-app calendar that syncs with major calendars like Apple, Google, and Outlook.
- Candidate assessments that measure an applicant's personality and cognitive ability to make more informed hiring decisions.
- Interview guides with questions and scorecards for a more effective process.
- Comprehensive employment background and reference checks that are compliant with state and federal regulations.
- Budget-friendly and streamlined recruiting tools for better engagement of applicants.
- Centralized visibility over facilities ensures compliance across the hiring process.

NONPROFIT ONBOARDING

A comprehensive onboarding solution for nonprofits ensures new employees are ready to work on day one. New hire paperwork syncs with the employee record to ensure compliance and reduce errors.

Onboarding solutions allow for the online completion and electronic signature of new hire documents, saving you time. Consider a solution that enables you to view the status of new hire paperwork in real-time and electronically store documents in the employee's record.

WHAT TO LOOK FOR



- Management of full-time, part-time, and independent documents in an intuitive dashboard.
- Creates manager and employee checklists for required forms and tasks to process new hires quickly.
- Determine if candidates are eligible for the Work Opportunity Tax Credit (WOTC).
- Review and sign electronic offer letters from any device.
- Functionality to electronically send new hire documents for e-Signature.
- Manager and employee checklists for required forms and tasks to process new hires quickly.
- Budget-friendly and efficient onboarding tools that promote employee retention.
- Ability to complete and review federal and state forms electronically.
- EEOC report generation for compliance management.

WHAT IS WOTC?

The Work Opportunity Tax Credit (WOTC) is a federal program that incentivizes businesses to hire and retain individuals from certain target groups. The Department of Labor has identified these groups as facing significant barriers to employment.

Eligible tax-exempt employers can use the credits against payroll taxes and only for wages paid to members of the Qualified Veteran targeted group.

HOW DO NONPROFIT ORGANIZATIONS BENEFIT?[1]

- Receive a tax credit when you hire a qualified veteran.
- Nonprofits may be able to claim a credit of up to $6,240.
- Employers can screen applicants before hiring.
- Carryforward for a subsequent tax period.

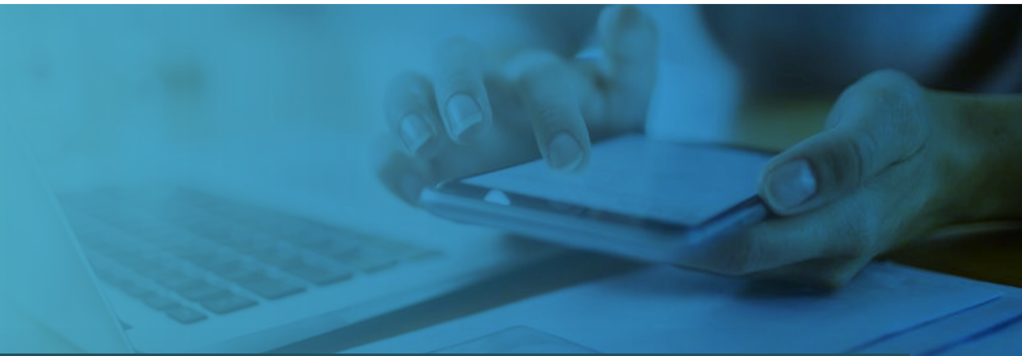
[1] Work Opportunity Tax Credit; IRS

MOBILE SELF SERVICE

Dedicated nonprofit organizations seek out mobile workforce management solutions that provide manager and employee self-service options. Mobile self service empowers managers to oversee their employees proactively and make better decisions anytime, anywhere.

Employees have 24/7 access to relevant information like pay stubs, benefits, and tax forms for better engagement. Mobile self-service apps also allow nonprofit managers to create autonomy for their employees while ensuring the completion of important payroll and HR tasks.

WHAT TO LOOK FOR



Employees

- Ability to clock in and out from their mobile devices.
- Creating Clock Zones to define specified areas for more accurate time capture.
- Ability to allocate time to dimensions like departments, locations, and grants.
- Instant access to Form W-2s and 1099s for tax returns.
- Access family member details for dependents and beneficiaries.
- Receive alerts when HR tasks need completion for accountability.
- e-Sign documents, performance reviews, and time cards.
- Single sign-on for integrations with scheduling platforms.
- Ability to review direct deposit account setup.
- Ability to quickly request time off.
- Quick access to current benefits information.

Managers

- Ability to take care of payroll and HR tasks wherever and whenever.
- Access to time-off requests, benefits information, and a company newsfeed.
- Communicate important information in Employee Self Service (ESS) with text notifications.
- Time off request alerts for immediate review and approval.
- Online performance reviews allow managers and employees to be proactive and accountable.
- Quickly view which employees are clocked in and out.

NONPROFIT IMPORTS, EXPORTS, AND INTEGRATIONS

Nonprofit organizations require a variety of systems and platforms to keep their operations running smoothly. Utilizing a provider that offers a combination of system imports, exports, and integrations are essential. These configurations bridge nonprofits' administrative solutions and payroll and HR platforms for more streamlined workflows.

WHAT TO LOOK FOR

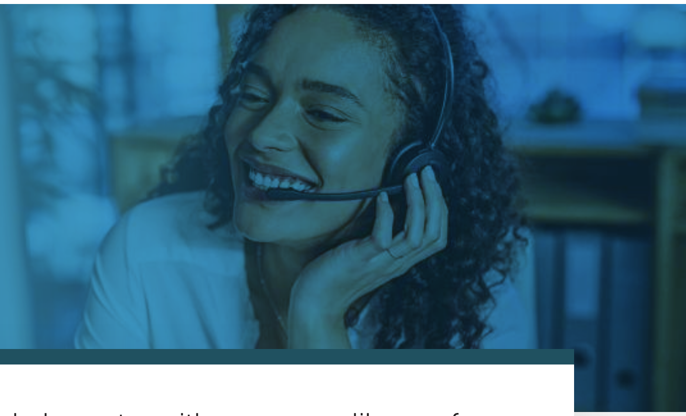
- The ability to import accounting, general ledger, and 403(b) systems like Sage Intacct, Oracle + Netsuite, ShelbySystems, Xero, Blackbaud, and Quickbooks into the payroll and HR software.
- Capability to export data from the payroll and HR software into 401(k) and general ledger systems.
- Integrations that transmit data from the payroll and HR platform into third-party systems.
- Automated exports generate a file in the payroll and HR system and deliver the information to a third-party platform like a 401(k) provider.
- Functionality to securely transmit employee demographics data into the payroll and HR software from an external system.
- Flexibility to create an import, export, or integration if one does not exist.

APS supports these integrations

IMPLEMENTATION AND SUPPORT SERVICES

Consider solution providers that offer hands-on implementation and training to ensure your first payroll processes correctly. Ask if dedicated support and success teams are available to get the most out of your experience with the platform. Lastly, check to see how long the implementation and conversion process takes, so you can rapidly realize your return on investment.

WHAT TO LOOK FOR



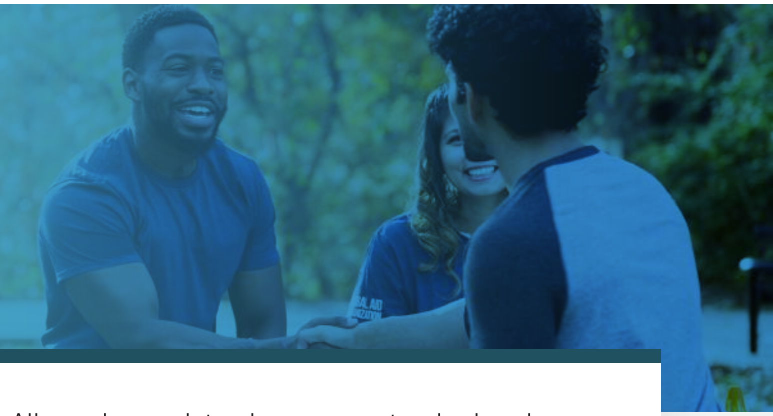
- Dedicated support team skilled in all product categories and available via phone, email, or support request.
- Pay history comparison against filed federal and state tax returns.
- A dedicated implementation manager who oversees the entire process and acts as a single point of contact.
- System training with your data for increased usability and adoption.
- Online training to eliminate the time and expense of travel.
- Data conversion during implementation, including payroll compliance assessment, training, parallel payrolls, and adding all current employees to the system.
- Online help center with a resource library of training materials and the ability to accept service requests.
- A proven track record for customer retention, response time, and satisfaction.
- Same-day reversal of a payroll when errors or omissions are identified after submission.
- Track all communications and requests with a historical view of outcomes.
- Lifetime customer training for optimized user experience.
- Success team dedicated to long-term system utilization and adoption.
- Access to systems specialists who are subject matter experts and can help with more in-depth questions.

NONPROFIT SECURITY

Perhaps the most critical box you want to check on your payroll provider wish list is security. You need to be confident that your sensitive company data is always secure. Ensure any solution providers you're considering do not commingle your nonprofit organization's payroll and tax funds with their assets and liabilities. Also, check to see if they perform a daily reconciliation of your account.

Look for a provider that conducts regular SOC 1 Type 2 audits to test the controls they have in place for payroll processing. You will also want to ask if potential providers are bonded and insured. When you entrust payroll, tax compliance, and access to your company's money to another entity, you want to know they are 100% reliable.

WHAT TO LOOK FOR

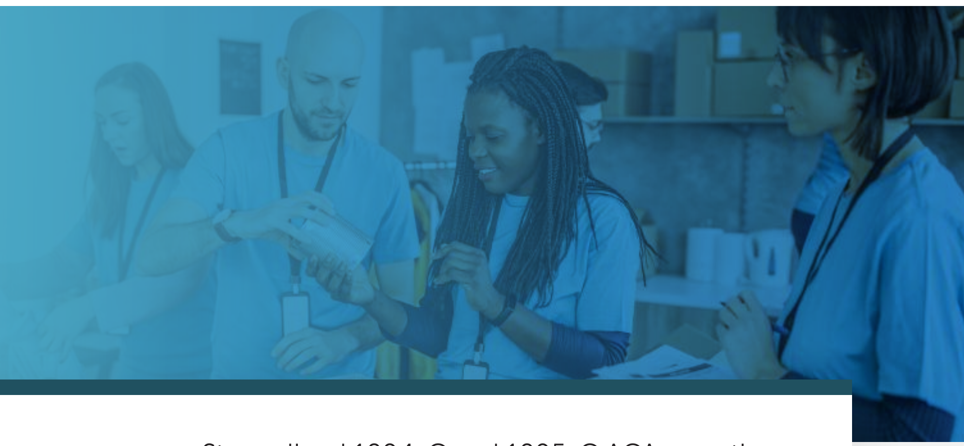


- Multiple Tier 4 rated SOC 1 Type 2 compliant data centers for redundant and reliable data backup.
- 256-bit SSL extended certificate with a secure HTTPS layer for data encryption and authentication.
- Network monitoring for capacity performance, hardware failure, and database health.
- Regular conduction of SOC 1 Type 2 audits and reports are available.
- All employee data changes are tracked and available to view across any timeframe for a complete audit trail.
- Enhanced security measures, including two-factor authentication, mobile phone verification, browser authentication, and auto logoff.
- Role-based configuration so managers and employees only have access to the specific data they need.
- Responsible for back-end system maintenance, upgrades, and security.

NONPROFIT REPORTING AND ANALYTICS

Lack of access to essential nonprofit organization metrics can result in non-compliance, penalties, and loss of business. Nonprofit organizations need visibility into payroll and HR analytics to make informed decisions for the livelihood of their business.

Consider payroll and HR vendors that offer a combination of pre-built and configurable reports so your nonprofit organization can create analytics dashboards that meet its unique needs.



WHAT TO LOOK FOR

- Ability to export tracked hours and expenses per grant or fund into an accounting system for grant reporting.
- Option to sync dimensional data with Sage Intacct automatically for accurate grant reporting.
- Overtime and turnover reports for better budget management.
- Workers' Compensation reporting of employee premium based on code.
- Reporting of gross labor expenses based on time card hours.
- New hire reporting, including department, salary, rate, and location.
- Payroll allocation report of all pay/deduction and tax items based on where income was earned.
- Streamlined 1094-C and 1095-C ACA reporting.
- COVID-19 compliance and reporting for FFCRA qualified sick pay and leave.
- Tracking and managing CARES Act tax credits, including Form 7200 reporting.
- User-level customization of management dashboards by frequency.
- Simple, pre-formatted reports for EEO-1, OSHA, VETS-100, and other reporting requirements.
- Easy-to-use report builder that does not require specialized IT knowledge.
- Organizational reporting across company entities.
- Automatic emailing of custom reports to decision-makers.

AFFORDABLE CARE ACT COMPLIANCE (ACA)

The Affordable Care Act (ACA) is a critical component of a nonprofit's workforce management solution. Consider a solution that offers comprehensive tools and features to manage ACA compliance and reporting efficiently. Ask if support services are provided in the event of ACA compliance and reporting questions.

WHAT TO LOOK FOR

- Analytical tiles and dashboards that bring relevant ACA data to the surface like employees eligible for coverage and employees in specific measurement periods.
- Benefit plan enrollment tracking to ensure all eligible employees are receiving healthcare coverage.
- Automated tracking of employees in initial and standard measurement periods with alerts for employees eligible for ACA enrollment.
- The provider handles Forms 1094-C and 1095-C annual reporting and e-filing to the IRS and generates 1095-C forms for employees.
- Simplified part-time staff management so all eligible employees are receiving coverage.
- Provides and organizes health insurance marketplace notices for easy distribution to employees.
- The aggregate cost of health insurance reporting on Form W-2s.
- Applicable Large Employer (ALE) calculation based on ACA standards.
- Reports average hours of service for proper employee classification.

LET APS HELP YOU OUT

APS has designed our nonprofits' HR software to manage the employee lifecycle, compliance, and payroll processing in the same system. We understand that managing your staff's time allocation and expenses shouldn't be a manual process.

Beyond that, nonprofit organizations consistently partner with APS thanks to our focus on the user experience. We continually listen to our customers' changing needs and help them achieve their business goals with easy-to-use technology and responsive customer support. **Here are some testimonials from nonprofit organizations that have benefitted from the APS nonprofits software:**

"Having APS manage our payroll system has helped us tremendously and makes me less worried we are missing something."

**— Angie White,
North Louisiana Economic Partnership**

"Having the option to create customized reports has really been helpful, and we couldn't ask for better customer support."

**— Damon Iammarino,
Family Support Network**

"After I reviewed several products on the market, I recommended APS to our company, and it has been the best decision we have made. Staying in compliance with our contract licensing has been made a lot easier."

**— Cindy Carlton,
Sky High Children's Ranch**

"Our payroll system was a collection of papers moving from one person to the next. Each payroll took time from several different people. Now timesheets are recorded electronically, and it has eliminated many sheets of paper going across 4 different desks. Great time saver and tree saver!"

**— Amy Simpson,
Programs for Infants and Children, Inc.**

We hope this guide helps you choose the best payroll and HR solution for your nonprofit organization. Please reach out if you have any questions. Additionally, you can also request a free, personalized demo for your nonprofit organization.

REQUEST DEMO

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. We design our unified solution to simplify workforce management tasks. Process payroll in hours, automate HR workflows and elevate the employee lifecycle with a single-system platform. We are APS, your workforce partner.

Businesses choose APS as their workforce partner because of our focus on the customer experience. As a result, we continually maintain 98% customer retention and satisfaction rates. For more information on APS and how we can help make payroll and HR easier for your business, visit www.apspayroll.com.

Disclaimer
All information, suggestions, and descriptions of the law included in this guide are intended as informative summaries, and do not constitute legal advice to any current, past, or prospective client of the author or customer or prospective customer of Automatic Payroll Systems, Inc. on any particular issue. Any action taken or contemplated in connection with any benefits tracking or employer legislative requirements issue should be discussed in advance with legal counsel of your choosing.

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