#### **EXHIBIT 2**



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TECHNOLOGY SERVICES

# **MEMORANDUM**

**DATE**: August 26, 2014

**TO**: Elton Brock, Purchasing Agent

**FROM**: Kevin Gunn, Director of Technology Services

**SUBJECT**: Single Source Procurement for Ceridian

## **Background:**

The City of Denton contracts with Ceridian to provide paperless delivery for payroll advices and W-2 forms for each employee. Payroll documents dated January, 2013 through the most recent payroll and W-2s for tax year 2013 are maintained in an online repository accessible to each employee. Ceridian was selected after receiving 3 quotes for similar services and one failed attempt to provide this service with a different vendor. Paperless delivery of these documents is a benefit to each employee, reduces payroll and staffing costs, and supports the City of Denton Strategic Plan.

### **Discussion:**

The City of Denton has an ongoing business relationship with Ceridian. Changing providers would incur additional costs, staff effort, and a risk of failure to provide paperless payroll documents to employees. The best value for the City of Denton is to continue with Ceridian, the current vendor.

### **Action:**

Technology Services requests approval to continue to procure paperless payroll document services from Ceridian.