

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: May 31, 2026

TO: Marcelia Nicholson-Bovell, Chairwoman, Milwaukee County Board of Supervisors

FROM: Liz Sumner, Milwaukee County Comptroller

SUBJECT: Evaluation of Dayforce Consolidation Between Milwaukee County and the Milwaukee County Transit System (MCTS)

REQUEST

This memo provides an overview, analysis, and recommendation regarding the potential consolidation of the separate Dayforce environments currently used by Milwaukee County and the Milwaukee County Transit System (MCTS). The review was conducted pursuant to Amendment 23 to the 2026 Budget, which directed the Office of the Comptroller to convene necessary stakeholders and evaluate feasibility.

BACKGROUND

MCTS and Milwaukee County each maintain independent Dayforce environments for payroll, human resources, benefits, and workforce management. These environments were implemented at different times, with the County's system being installed a decade after MCTS's implementation. Over time, each environment has evolved independently, resulting in different configurations and structures. Consolidation was explored as a potential method of improving efficiency, and discussions were held with internal stakeholders and representatives from Dayforce Professional Services beginning in late 2025 and concluding in spring 2026.

KEY FINDINGS

The cost analysis revealed that consolidation would not result in cost savings. Instead, MCTS would experience an estimated annual cost increase of \$201,000, and overall one-time Dayforce costs were estimated between \$1.79 million and \$2.4 million. These estimates do not include additional systems integrator implementation (SI) costs, which remain variable until further discovery is conducted.

Independent of cost, technical feasibility of the consolidation is limited. Dayforce does not support maintaining two separate Active Directory or Single Sign-On (SSO) environments, meaning Milwaukee County and MCTS would need to either merge directories or have one entity adopt multi-factor authentication (MFA) without SSO. Additionally, most existing configurations including workflows, security roles, integrations, and custom forms cannot migrate between environments and would require full reconstruction. While some employee

master data and organizational structure elements could be migrated, many other data types would require manual rebuilding or redesign.

Operational impacts were also evaluated. No meaningful efficiency gains would be realized through consolidation. The project itself would involve a substantial timeline with significant involvement from HR and Payroll teams from both entities. County and MCTS staff in human resources and payroll would have to operate parallel systems during the transition period, increasing workload and risk.

CONCLUSION

Based on the cost increases, technical constraints, and limited operational advantages, consolidation of the Milwaukee County and MCTS Dayforce environments is not advisable at this time. The challenges and risks outweigh any potential benefits, many of which are speculative rather than assured.

RECOMMENDATION

It is recommended that Milwaukee County and MCTS continue to operate within their existing Dayforce environments. The County should instead focus on targeted process improvements within each environment individually, rather than pursuing a full consolidation. This approach offers the opportunity to enhance efficiency without the substantial cost and risk associated with merging the systems.

FISCAL EFFECT

The report is informational only and there is no fiscal impact.

APPROVED BY:



Liz Sumner, Milwaukee County Comptroller

PREPARED BY:

Liz Sumner, Milwaukee County Comptroller

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the objectives in the strategic plan:

3B: Enhance the County's fiscal health and sustainability