Ohlone College
Program Review Report

- **Program Description and Scope:**
  - *Program Review Title:* Payroll Services
  - *Academic year:* 2015/2016
  - *Review Type:* Administrative Services
  - *Program/Departments:* Payroll Services (67205)
  - *Authority Code:* 21-Dean, Business Services
  - *External Regulations:* Yes_X_ No__

    IRS: 941 Quarterly
    State Retirement: STRS and PERS
    EDD: quarterly compensation
    Social Security Administration: Year-end W2 and W3.
    Alameda County: warrant lists and direct deposit transmittal

  - *Provide a brief narrative that describes the services provided.*
    The Payroll Office processes monthly payrolls for an average of 1000 college employees. Payroll processing includes collection, auditing, and processing of full-time, part-time, and student employees. The Payroll Office collects, processes, and reports Federal and State taxes, employee benefits and deductions, and California State retirement. The Payroll Office accrues and records employee leave plan usage, such as sick leave and vacation.

- **College Mission**
  - *Mission Statement*
    Ohlone College responds to the educational needs of our diverse community and economy by offering high quality instruction supporting basic skills, career development, university transfer, and personal enrichment and by awarding associate degrees and certificates to eligible students in an innovative, multicultural environment where successful learning and achievement are highly valued, supported, and continually assessed.

  - *Program Relation to College Mission.*
    - Support Services
  - *State your program Mission/Purpose.*
    The mission of Payroll Department is to ensure timely and accurate compensation to all faculty, and staff who serve the Ohlone colege students.

  - *Briefly describe program accomplishments.*

    The payroll department has consistently provided an outstanding service to the Ohlone community by processing both the 10th of the month and end of the month payrolls in a timely and professional manner. Major accomplishments include:
    Monthly and quarterly payroll reports including 941 Quarterly, monthly STRS/PERS, EDD Quarterly, Federal and State payroll reports for 2013-14 and 2014-15 have all been filed in a timely manner.
    A total of 1,409 W-2 forms were successfully issued to employees in 2015 in a timely manner and no issue has been recorded.
    A one-time off schedule pay of 5% was successfully processed for all employees in the Fall of 2014 and no issue was reported.
    The payroll department implemented Web Time Entry (WTE) for non-academic hourly employees in 2014-15. WTE allows the employees to submit hours and allows supervisors to approve those hours electronically instead of using paper timesheets. Since its implementation about 280 of timesheets are submitted to payroll through WebAdvisor each month, which not only brings efficiency into the payroll process, but also results in big savings in term of paper, time and record keeping.

- **Student Impact Assessment**

  1. **Student Learning Assessment - The Payroll Office does not have much direct contact with our students. However, the Payroll Office processes compensation for all faculty and staff in a timely manner, which is critical in providing effective learning environment for our students. Additional student impact assessments include: The Payroll Office processes payroll for Federal work study and student employees. The Payroll Office collects and reports mandated state retirement earnings for faculty, staff, and managers, ensuring accurate service credit calculations. The Payroll Office coordinates various reporting requirements to outside agencies for compliance to avoid fines, audits, or penalties that would divert funds from supporting classroom instruction.**
     - *Enter assessment results for "Student Learning Impacts" and analyze student success:*
       As mentioned in the previous section, Payroll does not work directly with students. Payroll supports effective learning environment by processing faculty compensation and related reporting in a timely manner. However, student success as a result of payroll processing cannot be assessed.

     - *Future Improvements:*
- **Program Achievement**

  - *List area-specific outcomes.*
    Payroll in collaboration with HR to encourage employees to sign up for direct deposit so that the number of checks processed can be reduced and the number of direct deposits can be increased.

Assessment will include:
Number of checks produced each year
Number of direct deposits processed each year

- *Identify internal and/or external benchmarks and regulations.*
  Internal:
  Board Policies
  Administrative Procedures
   External:
  California Ed Code
  Labor Laws both state and federal
  GAAP
  GASB
  Budget And Accounting Manual BAM
  STRS/PERS
  IRS

- *Enter assessment results for area-specific outcomes and analyze trends.*

Pay Advice/ Checks	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Advice	2761	5806	5956	5736	6050	6145	6468	6924	6949	6576	7691	8166	8558	8976	9790
Check	3091	5435	4567	4182	3866	3554	3466	3741	3436	2994	2369	1701	1414	1454	1336
Grand Total	5852	11241	10523	9918	9916	9699	9934	10665	10385	9570	10060	9867	9972	10430	11126
Advice %	47%	51%	57%	58%	61%	63%	65%	65%	67%	69%	76%	83%	86%	86%	88%

- This is a big win for everyone. There has been a concerted effort on the part of both payroll and HR to reduce the number of checks processed and increase the number of Direct Deposits/pay advices which are now online. As seen in the above chart, total pay advices went from 47% in 2000-01 to 88% in 2014-15. This has reduced cost in paper, postage, wear and tear on the office machines and the time it takes to prepare and process checks. It may not be realistic to shoot for a 100% Direct Deposit, as a few employees will continue to request a paper check, but 90% to 95% of pay advice will be a goal, which will be realistic and achievable.
- *Analyze program budget trends and expenditures. Comment on how the program can best use budget resources.*
  Payroll is a functional unit within the Business Services Department and does not have its own budget. Program budget has been discussed and analyzed within the Fiscal Services Program Review.
- *Analyze the program's current use of staff, equipment, technology, facilities, and/or other resources. Comment on how the program can best use these resources.*
  The 2 ¾ Payroll Accountants work very closely with HR to make sure that all employees are entered correctly and that their pay is accurate. That includes salaried, pay-by-contract, and hourly employees. The Payroll Department processes two payrolls each month, one at the end of each month for permanent regular employee and one on the 10th of each month for all hourly employees and part-time faculty. Payroll, IT and HR holds regular monthly meetings in which they discuss payroll and HR issues, process, new requirements, code and regulations. These meetings have been very beneficial in promoting teamwork among the three departments.
  Part-time faculty are paid by contract, which means faculty members don't need to submit timesheets and the payroll staff do not need to manually enter each and every timesheet into the payroll system. This arrangement has obviously minimizes data entry, but also creates caveats such as faculty not being able to reconcile their monthly paycheck with the number of hours they work each period, faculty being overpaid when a class is canceled or faculty is replaced but contract is not updated in the system. One of the main reasons why this maybe happening is that all part-time faculty contracts are entered into the payroll system by the Academic Administrative Assistants and payroll have no way to independently confirm the accuracy of the data in the system. Payroll has to use the data in the system to generate employee pay. To address this deficiency, regular meetings among payroll, HR and the Academic Admin Assistants was recently proposed to be chaired by HR. In these meetings all stakeholders will exchange information, discuss issues, deadlines, processes and communication protocol. In addition, payroll will make sure to confirm the accuracy of the contracts in the system with Admin Assistants by email prior to processing payroll each pay period. Additional analysis will be needed to assess progress with the implementation of these new measures. There are also problems with how contracts in general pull hours. More analysis needs to be done to determine if pay by contract should draw the numbers from contact hours or class meetings. It is difficult to translate the contract with what hours should appear on the time sheet. Further analyses are also needed to determine if there is a better way to process part-time faculty payroll than pay-by-contract.
  As mentioned above the implementation of the Web-Time Entry was completed in 2014-15, which is considered a big win and improvement for the entire district specifically for the payroll department. With this new system in place, all hourly employees no longer have to submit paper timesheets and payroll no longer has to manually enter each and every timesheet into the payroll system. Instead employees are able to submit their hours and supervisor are able to approve those through WebAdvisor and the data will directly populate in the payroll system. This reflects a more efficient use to technology and is probably the biggest win for payroll in 2014-15. Many neighboring districts are still processing manual timesheets.
   Payroll is not only responsible for producing paychecks for the District but also for all of the payroll taxes, benefit deductions, employee withholding, garnishments and PERS, STRS and Cash Balance and all of the required reporting.
  Payroll has little or no down time between two payrolls and the monthly reporting requirements. Plus generating the W-2 reports at the year-end and manually processing payroll retro further adds to their workload. We have asked IT to explore way to automate the payroll retro process which will really minimize manual data entry on the payroll part.
- *Additional Program Table Data*
- *Future Action*
  Current levels of achievement indicators maintained.

- **Program Improvement Objectives**

  1. *Based on the program data analysis and PSLO analysis, identify your Program Improvement Objective(s): What are you going to do? Why are you going to do it?*
     Improve efficiency by Implementing Web Time Entry (WTE) for non-academic hourly and student employees so that all timesheets can be submitted through webadvisor and paper timesheets will be eliminated.

     Notes (optional): Please include any notes related to your PIO. (2500 Character limit)
     Web Time Entry allows the electronically employee-entered and supervisor-approved hours to enter the payroll process workflow, negating the manual entry each month by the Payroll department. WTE is paperless, which supports and promotes sustainability and is necessary to increase payroll accuracy and efficiency.

     Program PIO will address the following:

     - Service Impacts

     How will you assess the effectiveness of your PIO:
     Track the # of timesheets submitted online over one year period and asses over all savings in term of time, efforts and paperwork.

     PIO Action Plan:
     How will you accomplish this?
     Payroll, HR and IT working together to plan and phase in departments over a period of two years.

     What is your timeline?
     Fiscal years 2013-14 and 2014-15.

     Who is going to do this?
     Payroll, HR and IT.

     PIO Status:

     - Completed 06/30/2015

     Closing the loop - Describe the results of your PIO implementation or completion:
     The WTE project was launched on 10/10/2013and by June 30, 2015 all departments were rolled over.

     Conclusion: Complete if PIO has been completed
     PIO achieved - worked

     Fiscal Resources Status:

     - Currently on average 280 hourly employees submit their timesheets through WebAdvisor. This is considered a big win which has not only brought efficiency to the Payroll process but has also resulted in fiscal savings in term of paper, staff time and use of office machines.

     PIO Resources:

     - Resource: People Time
       Description: HR and IT working together to plan and phase in departments over two years

Attached Files: