



Payroll Briefing for Finance and Audit Committee

October 24, 2018



Executive Overview

- The function of Payroll Services is to ensure that all employees of Chicago Public Schools receive the payment for their work on time each and every pay date based upon the pay data that is submitted from each department.
- Timekeeping is the responsibility of accurately putting hours worked and recording of time worked into the timekeeping system, from which data is then presented to payroll to process for payment.
- Payroll Services has processes in place to ensure the accurate calculation and processing of this data.
- Measures of our success include:
 - 188 Manual checks required in Fiscal Year 18 (.0121% of total payments produced)**
 - Compliance with all legislative deadlines for accurate and timely payments to pension funds (CTPF/MEABF) as well as all taxing authorities for bi-weekly tax payments and annual tax reporting.**



Department Overview

Payroll Services is comprised of five teams in three general domains: Client Service, Operations and System Processing

Employee Client Service: 10 Employees

Customer Service Call Center (CS) – 6

Time Keeper Central (TKC) – 4

Operations: 11 Employees

Compliance – 4

Time and Attendance Correction (TAC) – 4

Management – 3

System Processing – 3 Employees

Payroll System Administration (PSAG) -3



Payroll Fun Facts

- Payroll Services processed 976,111 payments to employees in FY18.
- Funds each payroll cycle are transmitted to an average of 784 separate financial institutions.
- Payroll System has 250 distinct active earnings codes that distinguish the type of earnings being processed.
- Compliance team manages approximately 2,735 active garnishment orders each pay period.
- Staff experience in our department equates to 429 years of service at CPS.
(Range 1.25 years to 45.75 years)



Payroll Processing Facts

- Chicago Public Schools is the 2nd largest employer in the City of Chicago.
- Bi-weekly payroll processing takes 3 business days to complete (38K+ employees – 2 separate payroll runs).
- Payroll teams review and make corrections to employees pay based upon output from 55 different system generated reports and 20-30 adhoc reports run each period including :
 - **High Earnings, Over Standard Hours, Time after Termination, Weekend Hours Submitted**
- 1,600 – 1,800 Time & Labor exceptions are addressed by TAC staff bi-weekly to ensure employees are paid correctly.
- Our iterative processing allows for multiple reviews of reports and exceptions to ensure the final product represents clean payroll data.
- All taxing agencies, vendors, pension and union affiliates are paid on time and accurately every pay period.
- Benchmarking conducted with several large school districts across the country have shown CPS to be ahead of the curve both from a technology and processing standpoint.



Process Improvements

KRONOS Timekeeper System

- In conjunction with several other departments across the organization (Talent, Facilities, SSC, Nutrition Support, Safety & Security), we have developed a timekeeping task force.
- Working with our vendor Kronos, we have been able to introduce changes to our system to improve efficiency and accuracy of timecards.
- Additional timekeeping enhancements are being addressed and should be available district wide by the end of the fiscal year.



Process Improvements

PeopleSoft HRMS System

- Primary projects being addressed this fiscal year will focus on review and recalibration of our Time and Labor system and rules as well as enhancements to the retroactive pay process.
- Regular maintenance activities that occur throughout the year include testing and applying approximately 5 tax updates, assisting with Open Enrollment testing and year end processing of W2 tax forms for all employees.

