



ANNUAL REPORT

2021 Calendar Year

Introduction

In March of 2019, the Board of Regents (BOR) approved the formulation of NSHE Payroll Services (NPS) and the policies and procedures that govern the operation of NPS. The policies and procedures are memorialized in the BOR’s Procedures and Guidelines Manual, Chapter 5, Section 17 (Manual). This annual report is intended to provide the metrics and reporting required in the Manual for the purpose of evaluating efficiency and effectiveness.

NSHE-Wide Support

NPS is committed to transparency, stakeholder accountability and data-driven decision making. During Calendar Year 2021, NPS implemented the following measures to improve efficiency and achieve cost savings:

- The system-wide helpdesk continues to track and resolve issues affecting our employees, handling over 1800 tickets throughout 2021,
- W-2 processing continues to be managed internally by NPS, 28,637 W-2s produced in 2021. In the two years of NPS processing W-2s, there has been an 87% increase in electronic-only W-2s to further reduce costs,
- NPS has worked diligently with PEBP to expand and streamline benefits integrations and provide additional voluntary benefit products to NSHE employees, and
- with NSHE campuses accommodating more remote work agreements in 2021, NPS now supports 38 states for tax compliance.

The following pages in this report will highlight metrics that demonstrate and report to our stakeholders the activities undertaken during the year for the purpose of evaluating efficiency and effectiveness. We hope you find this information useful in accomplishing that goal.

Committed to Transparency

NSHE Payroll Services is charged with provision of the following services for all Nevada System of Higher Education employees:

- Paycheck distribution,
- customer service (employees and institutions),
- communication of all payroll and tax-related events,
- management of individual withholding, deductions, and contributions,
- maintenance of all pay-related records,
- production of tax-related documents such as W-2s,
- withholding selections,
- direct deposit statuses,
- filing and depositing of institutions’ taxes,
- response to employment verification requests, and
- adherence to all state, federal, and NSHE payroll laws and regulations.

NSHE PAYROLL SERVICES



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Table of Contents and Figures

1. Total Payments and Voided Payments	1
Figure 1.1: Total Payments by Institution for 2020 and 2021	1
Figure 1.2: Voided (stopped) Payment by Institution for 2020 and 2021	1
2. On-Cycle and Off-Cycle Payments	2
Figure 2.1: On-Cycle Payments by Institution for 2020 and 2021	2
Figure 2.2: Off-Cycle Payments by Institution for 2020 and 2021	3
Figure 2.3: 2021 Percent of On-Cycle to Off-Cycle Payments	3
Figure 2.4: 2020 Percent of On-Cycle to Off-Cycle Payments	4
3. Retroactive Adjustments	5
Figure 3.1: Retroactive Payroll Adjustments for 2020 and 2021	5
Figure 3.2: 2021 Percent of Payments with Retroactive Payroll Adjustments	5
Figure 3.3: 2020 Percent of Payments with Retroactive Payroll Adjustments	6
Figure 3.4: Number of Retroactive Adjustments by Type for 2020 and 2021	7
Figure 3.5: 2020 and 2021 Breakdown of Retroactive Payments by Reason and Institution	8
4. Payroll Time Submissions	9
Figure 4.1: Standard Time Submissions by Institution for 2020 and 2021	9
Figure 4.2: En Masse Time Submissions by Institution for 2020 and 2021	9
Figure 4.3: 2021 Percent of Standard to En Masse Time Submissions by Institution	10
Figure 4.4: 2020 Percent of Standard and En Masse Time Submissions by Institution	10
5. NSHE Payroll Help Desk Data	11
Figure 5.1: Breakdown of NSHE Payroll Tickets	11
Figure 5.2: Total Tickets by Institution in 2020 and 2021	11
Figure 5.3: Total Monthly Tickets by Institution in 2021	12
Figure 5.4: Total Monthly Tickets by Institution in 2020	13
Figure 5.5: Total Monthly Tickets in 2020 and 2021	13
Figure 5.6: Total Tickets by Employee Type in 2020 and 2021	14
6. Cost of Payroll	15
Figure 6.1: Breakdown of Payroll expenses, including number of payments and average payroll cost per payment	15
Figure 6.2: Breakdown of NSHE Payroll Budget Fiscal Year 2021	15

1. Total Payments and Voided Payments

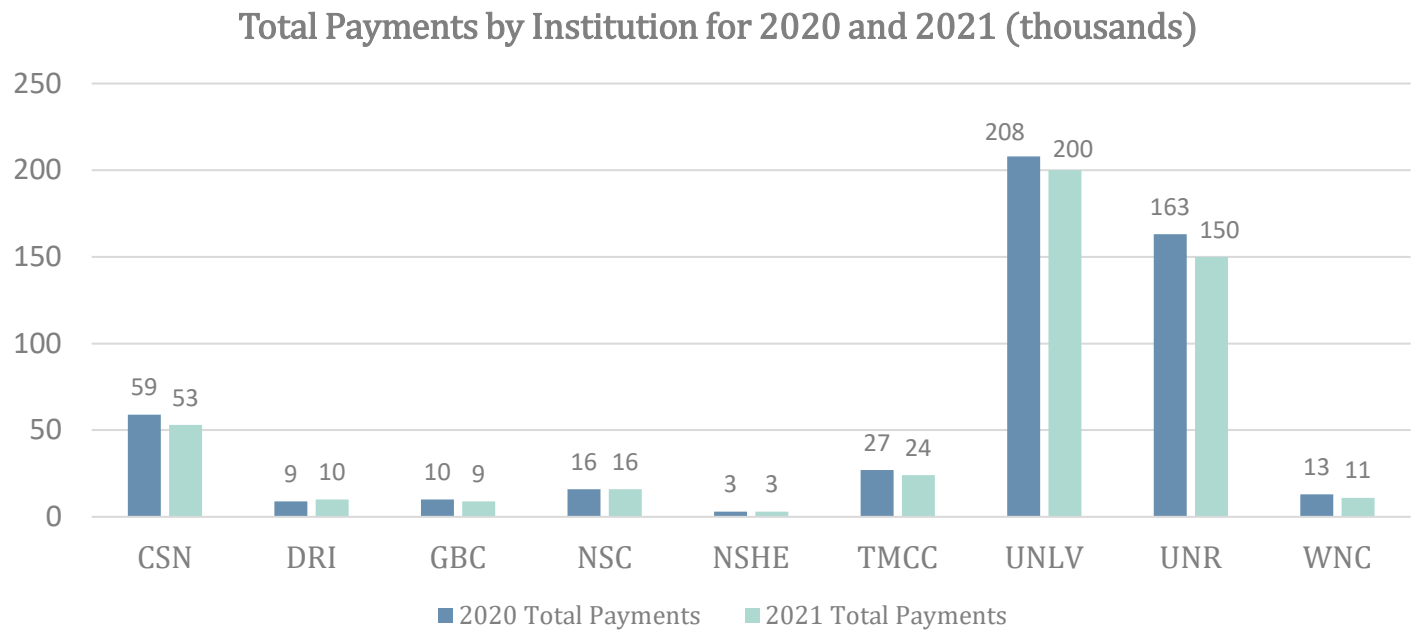


Figure 1.1: Total Payments by Institution for 2020 and 2021

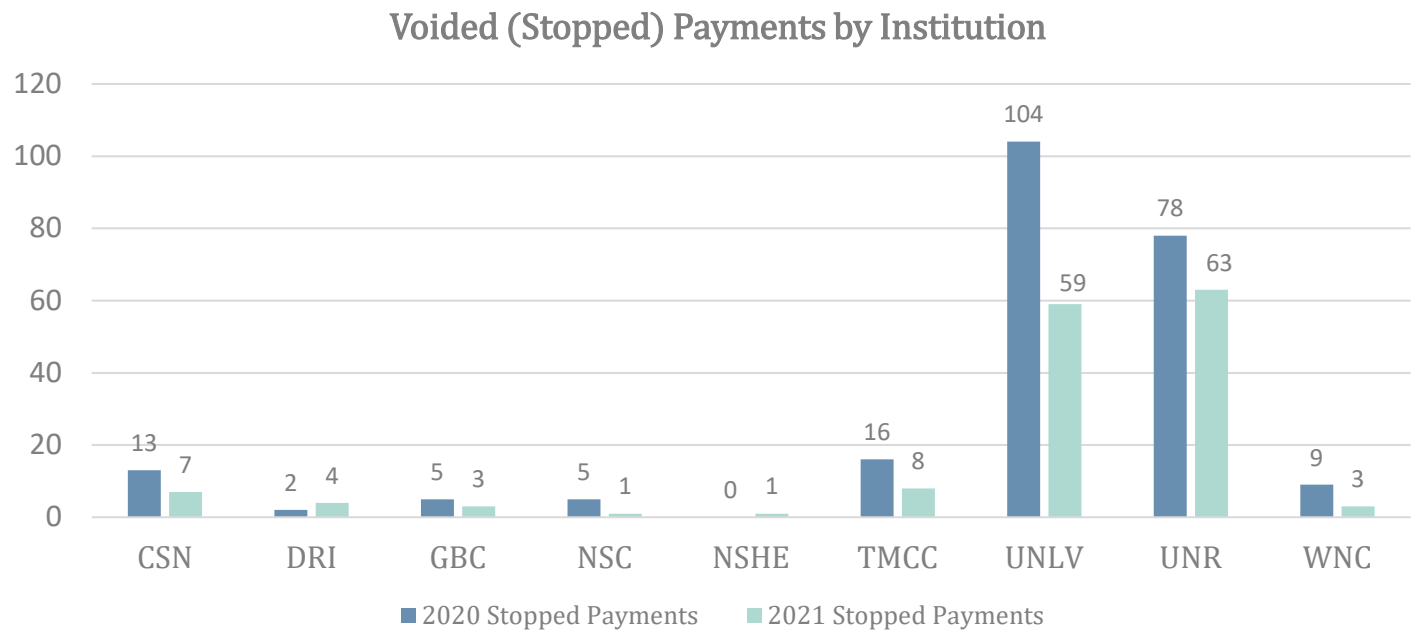


Figure 1.2: Voided (stopped) Payment by Institution for 2020 and 2021

2. On-Cycle and Off-Cycle Payments

On-cycle is defined as payments that were completed as part of a scheduled payroll cycle. In all, 477,384 payments were completed in 2021, 509,082 were completed in 2020. In 2021 and 2020, off-cycle payments were 12,958 and 13,895, respectively. The portion of off-cycle payments to total payments decreased slightly from 2.73% to 2.71% from 2020 to 2021.*

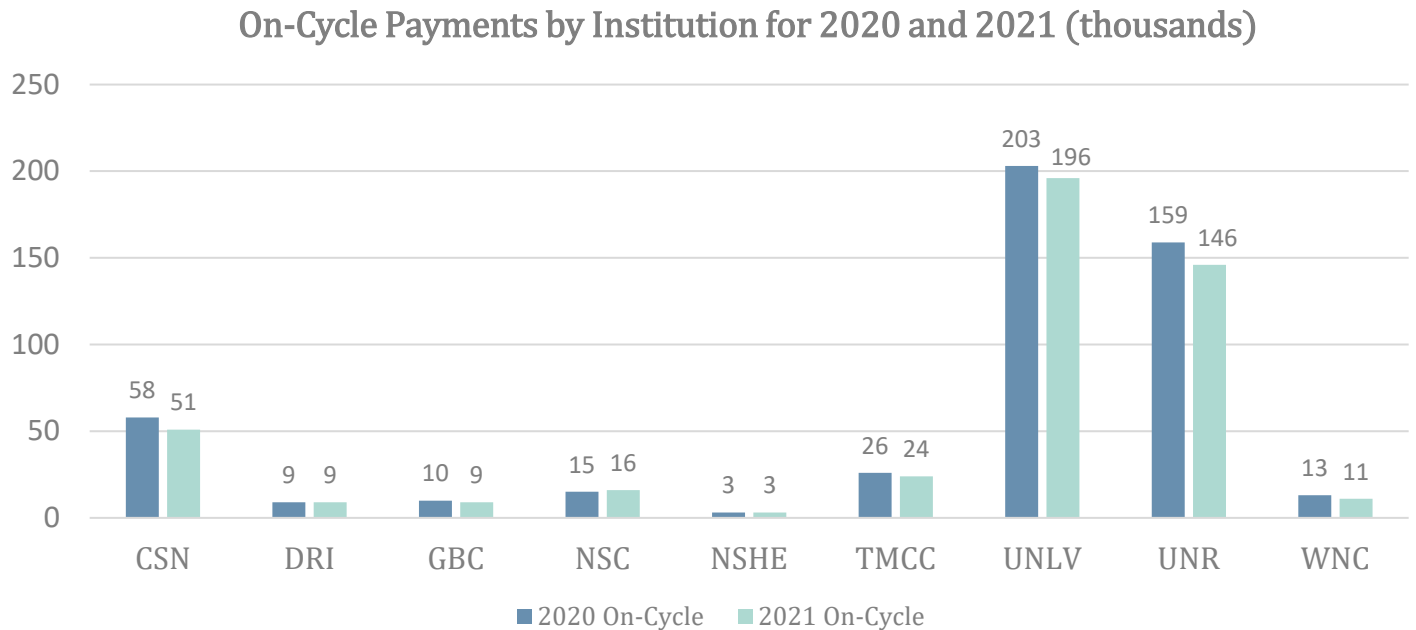


Figure 2.1: On-Cycle Payments by Institution for 2020 and 2021

Off-cycle is defined as payments that were completed outside of a scheduled payroll cycle. Off-cycle includes payments that are made resulting from changes to earnings or deductions between pay cycles, or for year-end tax adjustments for producing W-2s. Operational reasons for these adjustments to net pay can be found in section 3, after Figure 3.4.

* Payroll payment data has been adjusted for 2020 and 2021 to reflect year-end tax adjustments related to producing W-2s.
NSHE Payroll Services

Off-Cycle Payments by Institution for 2020 and 2021

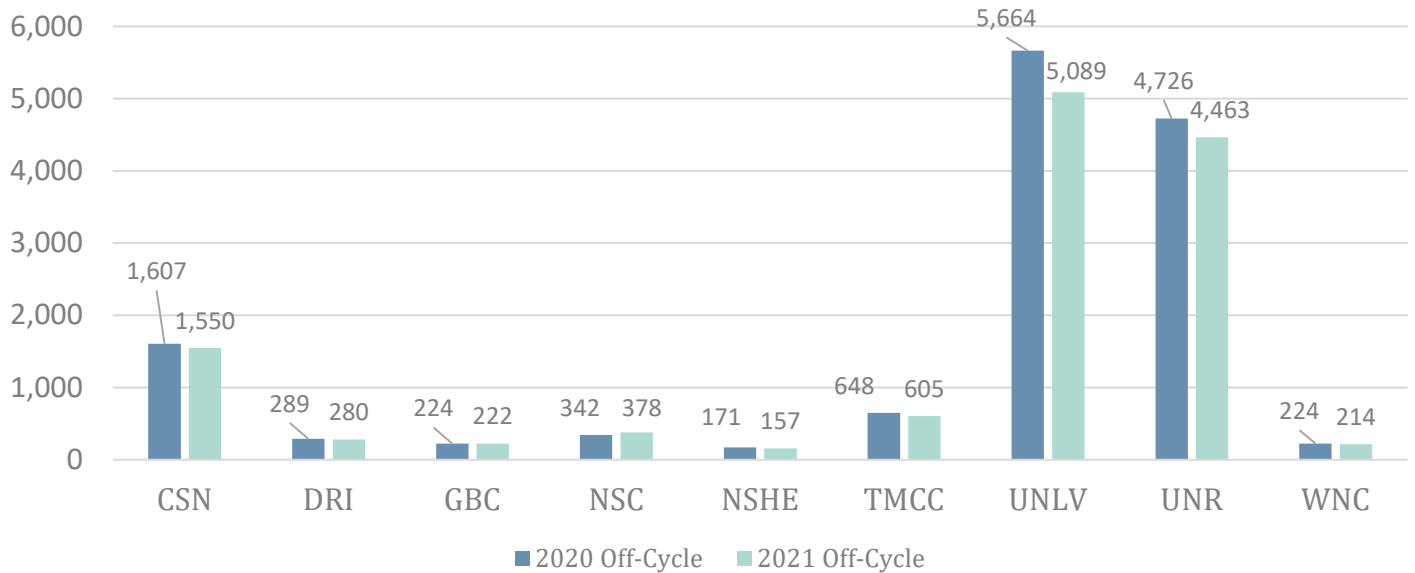


Figure 2.2: Off-Cycle Payments by Institution for 2020 and 2021

The Percent of On-Cycle to Off-Cycle Payments chart shows the portion of each institution’s payments that were processed inside standard payroll schedules (on-cycle) and outside payroll schedules (off-cycle). Off-cycle payments decreased overall for NSHE from 2020 to 2021, however the portion of on-cycle to off-cycle payments stayed relatively static when comparing 2020 and 2021.

2021 Percent of On-Cycle to Off-Cycle Payments

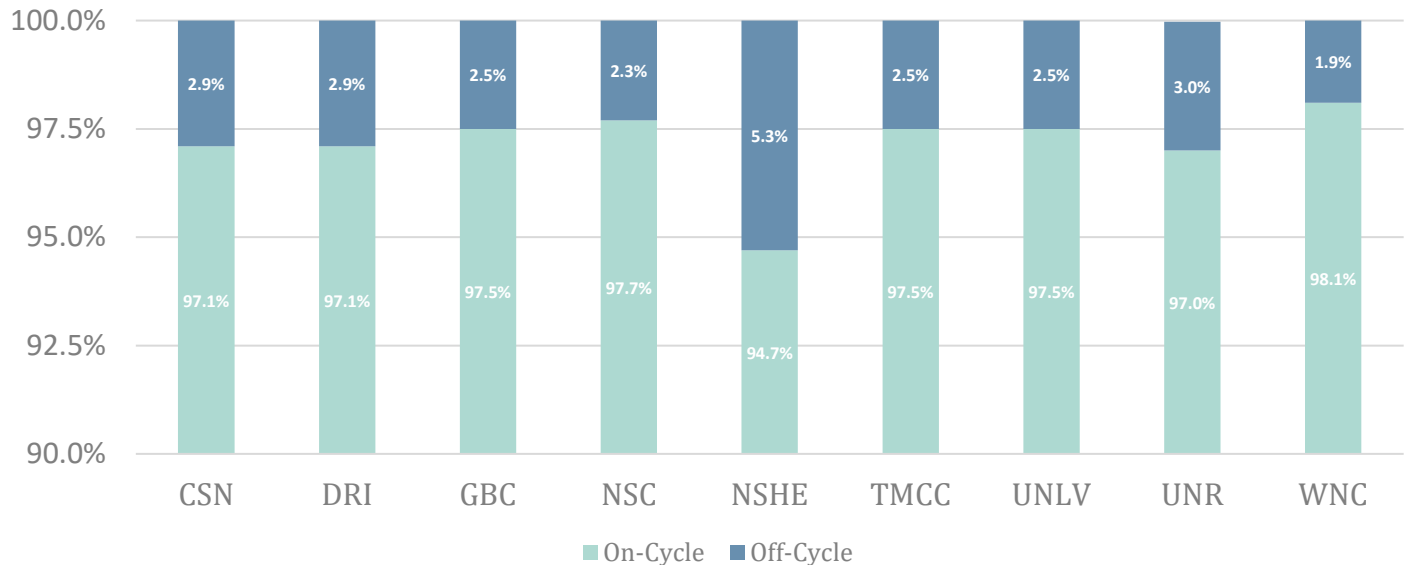


Figure 2.3: 2021 Percent of On-Cycle to Off-Cycle Payments

2020 Percent of On-Cycle to Off-Cycle Payments

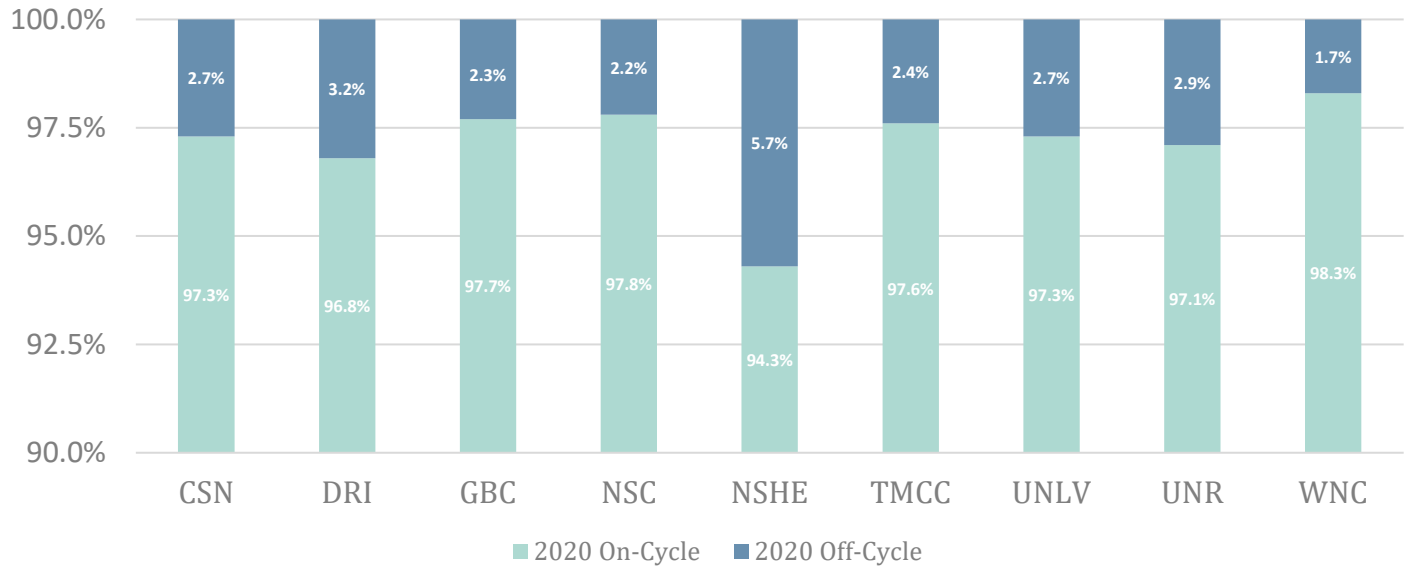


Figure 2.4: 2020 Percent of On-Cycle to Off-Cycle Payments

3. Retroactive Adjustments

Retroactive payroll adjustments are defined as adjustments to current pay cycles resulting from changes to prior payroll periods. Retroactive adjustments can impact current pay cycles by adjusting current pay, requiring additional payments, voiding current payments, or requiring employees to repay funds.

Retroactive Payroll Adjustments by Institution for 2020 and 2021

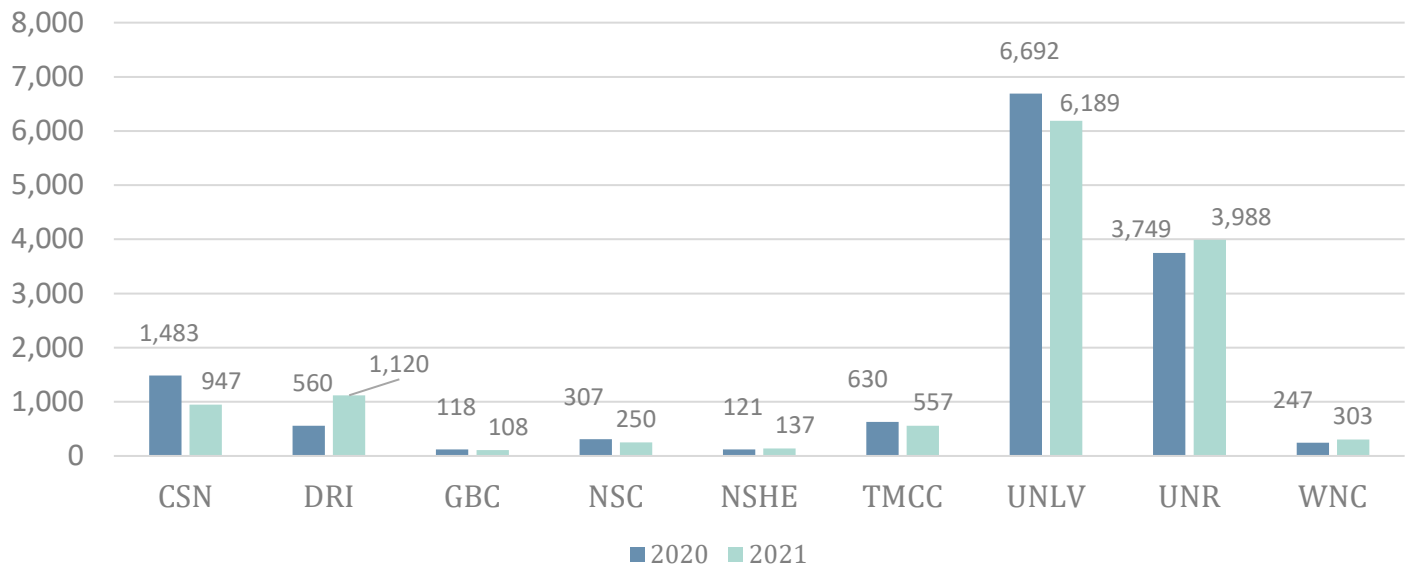


Figure 3.1: Retroactive Payroll Adjustments for 2020 and 2021

Although retroactive payroll adjustments decreased overall from 2020 to 2021, the percentage of total payments with retroactive adjustments increased slightly between 2020 and 2021 for all campuses from 2.8% to 2.9%.

2021 Percent of Payments with Retroactive Payroll Adjustments

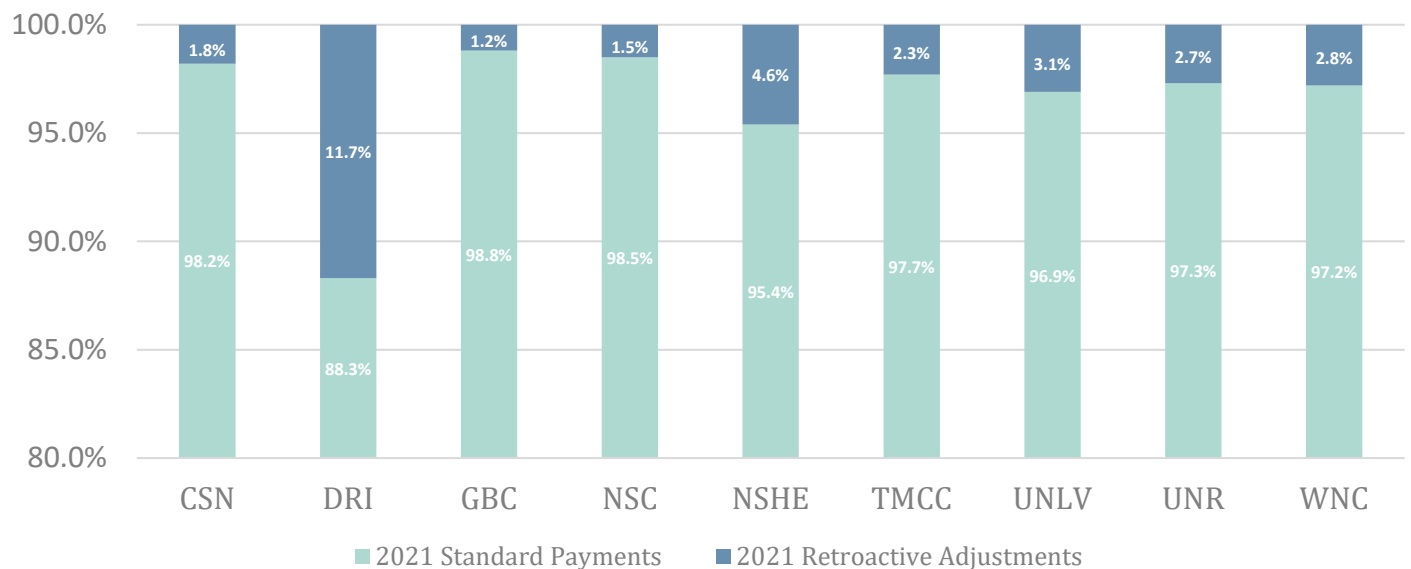


Figure 3.2: 2021 Percent of Payments with Retroactive Payroll Adjustments

2020 Percent of Payments with Retroactive Payroll Adjustments

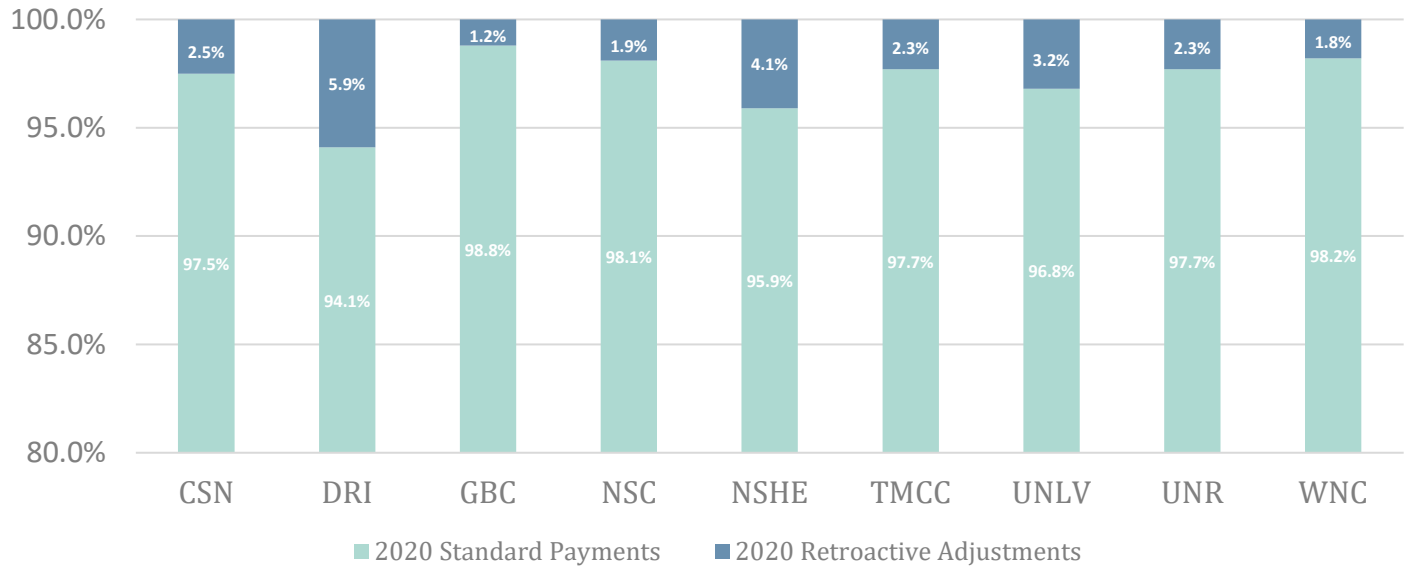


Figure 3.3: 2020 Percent of Payments with Retroactive Payroll Adjustments

Retroactive Adjustments by Type for 2020 and 2021

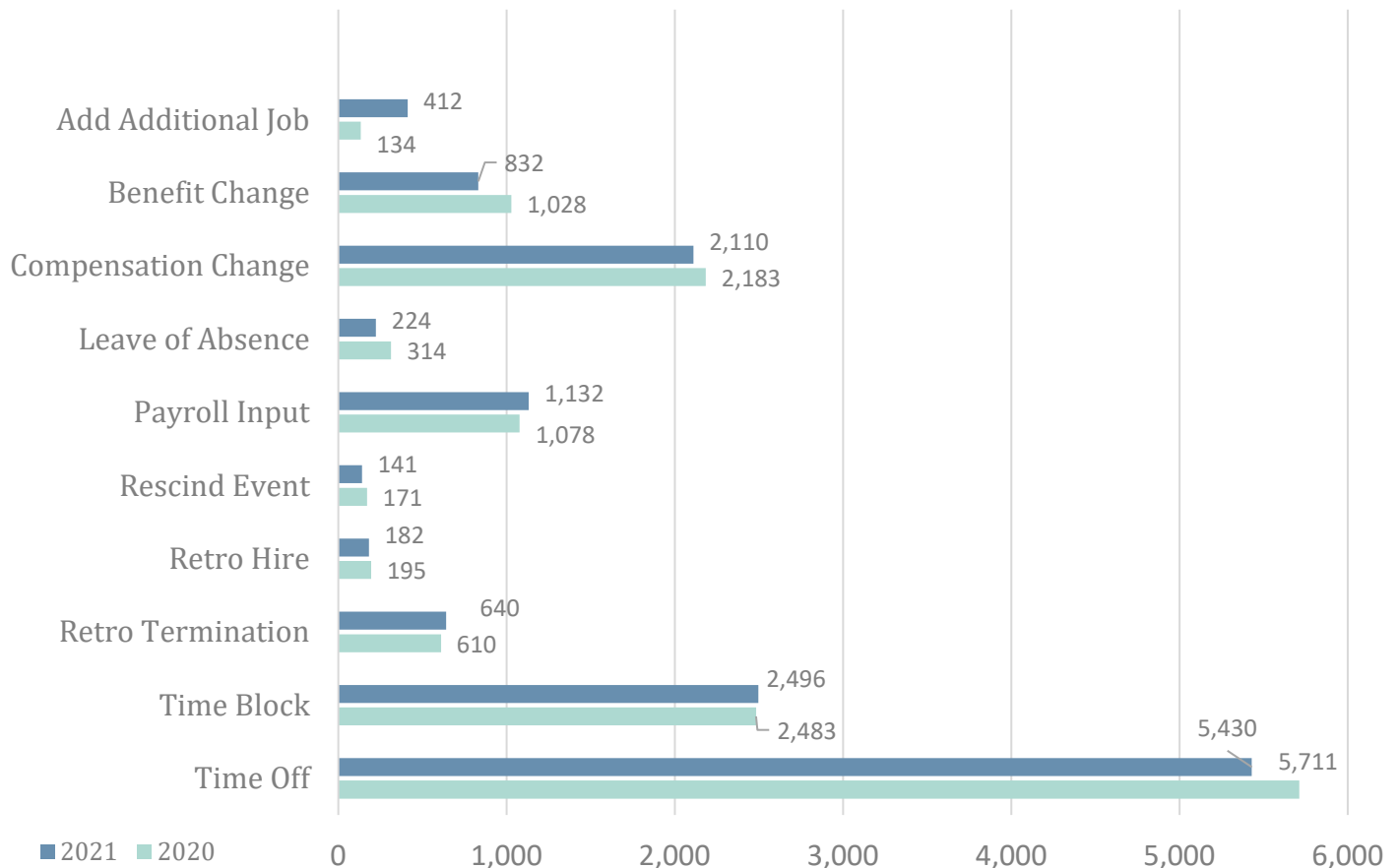


Figure 3.4: Number of Retroactive Adjustments by Type for 2020 and 2021

The type of retroactive adjustment found in figure 3.4 are defined as the following:

Change Job: HR business process for additional job changes in Workday that are not completed timely for payroll completion.

Benefit Change: HR business process for benefit changes in Workday that are not completed timely for payroll completion.

Compensation Change: HR business process for compensation changes in Workday that are not completed timely for payroll completion.

Leave of Absence: Leave corrections such as FMLA or Sabbatical.

Payroll Input: A variety of corrections handled directly by the Payroll office, not initiated by a business process. These entries correct earnings and deductions, primarily related to benefit changes.

Rescind Event: Events that have been recalled in Workday that are not completed timely for payroll completion.

Retro Hire: Hire events that are entered into Workday after a period for which the worker is to have been paid.

Retro Termination: Termination events that are entered into Workday after a period for which the worker is to have been paid.

Time Block: Hourly time entry corrections.

Time Off: Annual and sick time corrections.

2020 and 2021 Breakdown of Retroactive Payments by Reason and Institution										
Institution	Change Job	Benefit Change	Comp Change	Leave of Absence	Payroll Input	Rescind Event	Retro Hire	Retro Term	Time Block	Time Off
CSN 2021	30	61	187	29	76	14	3	29	87	431
CSN 2020	20	133	436	31	65	17	23	55	148	555
DRI 2021	6	40	16	8	11	1	0	6	80	952
DRI 2020	1	35	80	14	15	1	3	0	60	351
GBC 2021	0	7	8	1	4	1	0	0	26	61
GBC 2020	0	12	8	2	7	0	0	0	32	57
NSC 2021	9	15	50	4	16	1	0	6	27	122
NSC 2020	2	31	56	5	14	4	0	5	52	138
NSHE 2021	6	11	17	10	1	1	0	0	4	87
NSHE 2020	0	5	13	5	9	1	0	0	9	79
TMCC 2021	17	36	72	21	39	4	0	36	56	276
TMCC 2020	1	33	84	19	27	1	1	15	44	405
UNLV 2021	230	338	974	82	665	53	167	338	1354	1998
UNLV 2020	64	540	888	98	667	90	142	351	1349	2503
UNR 2021	112	316	706	65	261	62	12	225	801	1428
UNR 2020	41	226	588	134	257	54	26	174	715	1534
WNC 2021	2	8	80	4	69	4	0	0	61	75
WNC 2020	5	13	30	6	17	3	0	10	74	89

Figure 3.5: 2020 and 2021 Breakdown of Retroactive Payments by Reason and Institution

4. Payroll Time Submissions

Standard time submissions are time entered by the employee and submitted to payroll by the employee’s supervisor. Standard time submissions declined from 105,419 in 2020 to 101,653 in 2021; this is 3.6% decrease from 2020 to 2021.

Standard Time Submissions by Institution for 2020 and 2021

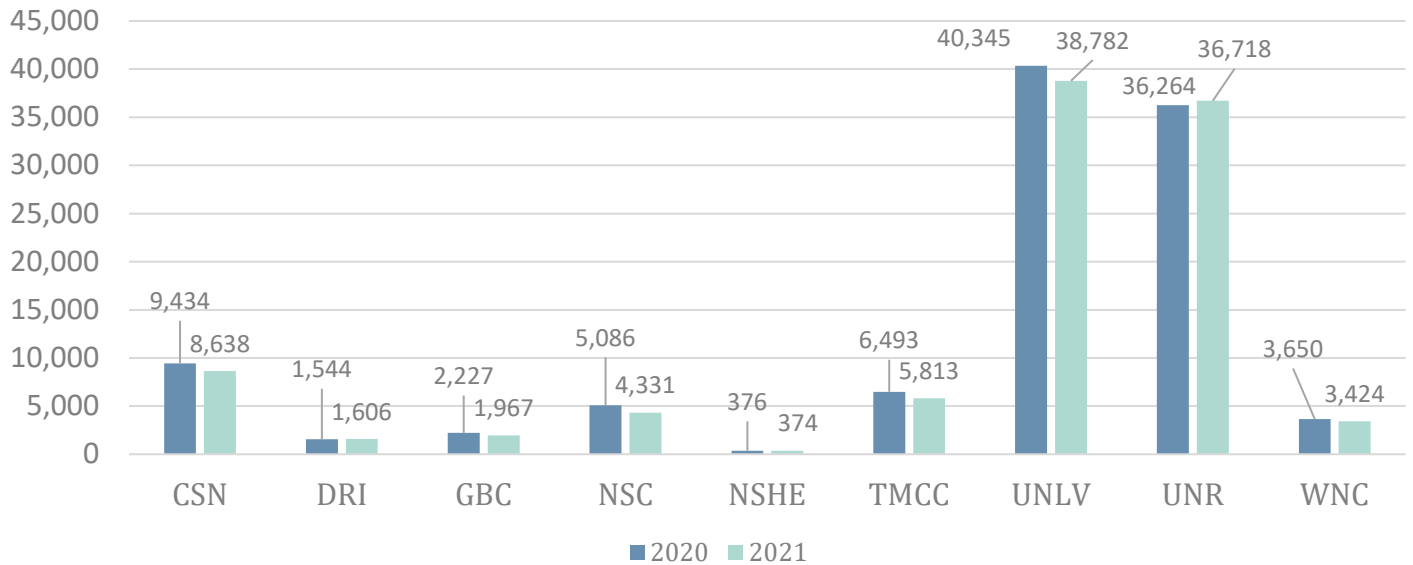


Figure 4.1: Standard Time Submissions by Institution for 2020 and 2021

En Masse time submissions are time entered by the employee and submitted to payroll by NSHE Payroll Services because supervisors did not approve or deny time prior to the payroll deadline. En masse time submissions in 2020 and 2021 were 9,906 and 12,851, respectively, an increase of 29.7%. This increase is an indication that fewer supervisors are approving time for their employees prior to payroll needing to be run.

En Masse Time Submissions by Institution for 2020 and 2021

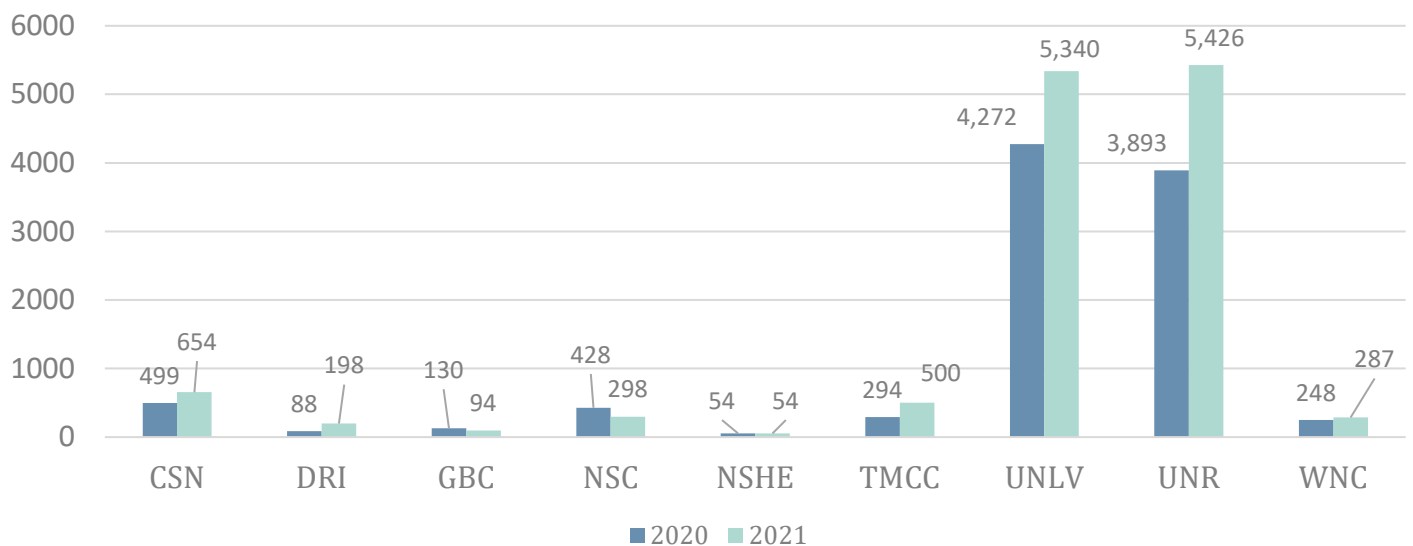


Figure 4.2: En Masse Time Submissions by Institution for 2020 and 2021

En masse time submissions increased overall for a majority of campuses from 2020 to 2021. In addition, the portion of all time submissions that were submitted en masse time increased for a majority of campuses.

2021 Percent of Standard and En Masse Time Submissions by Institution

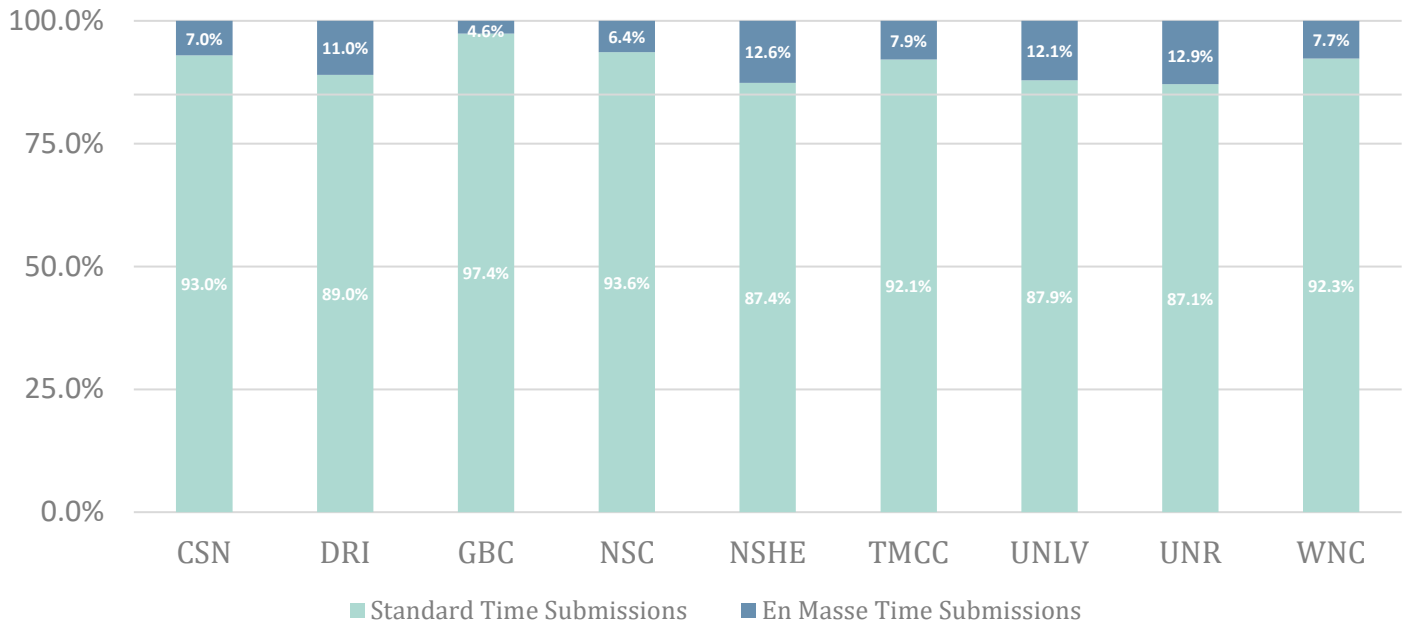


Figure 4.3: 2021 Percent of Standard to En Masse Time Submissions by Institution

2020 Percent of Standard and En Masse Time Submissions by Institution

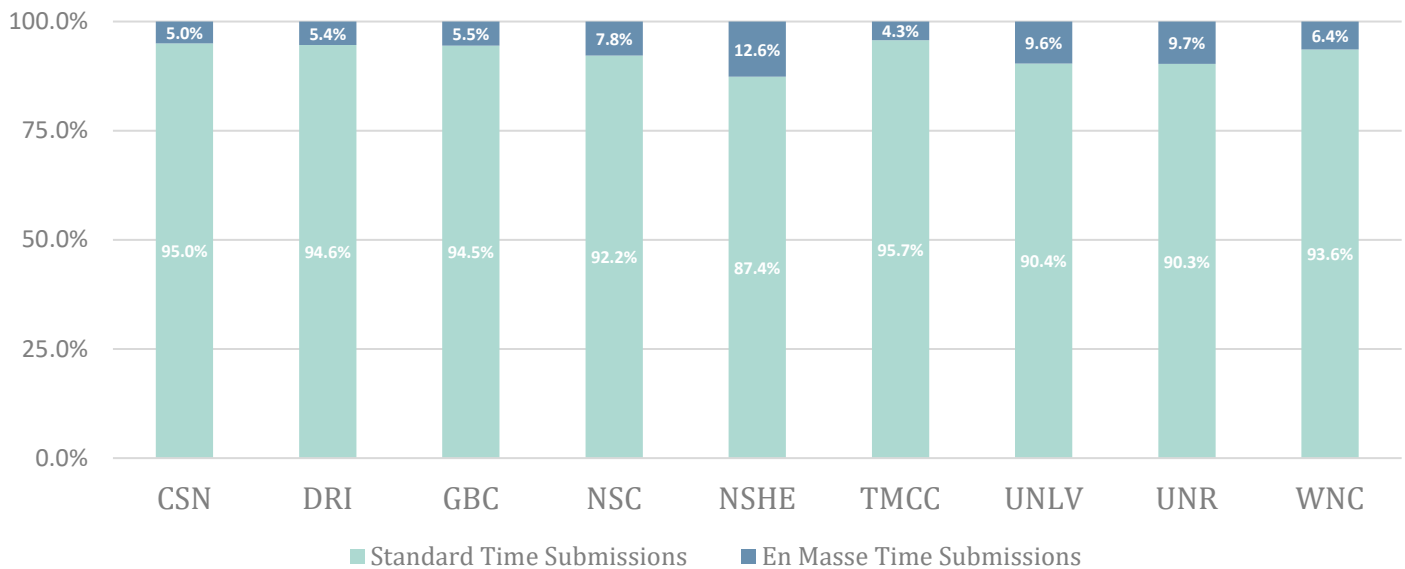


Figure 4.4: 2020 Percent of Standard and En Masse Time Submissions by Institution

5. NSHE Payroll Help Desk Data

The NSHE Payroll Help Desk began tracking data in 2020 and saw a considerable increase in tickets processed from 2020 to 2021. The ticket increase can be attributed to a rise in employment verification requests as individuals sought to refinance mortgages due to lower interest rates in 2021. With that increase in tickets, along with staffing constraints in 2021, the average days for a ticket to be resolved increased from 3.3 days to 4.0 days.

	2020	2021
Total Help Desk Tickets	611	884
Average Ticket Resolution	3.3 days	4.0 days

Figure 5.1: Breakdown of NSHE Payroll Tickets

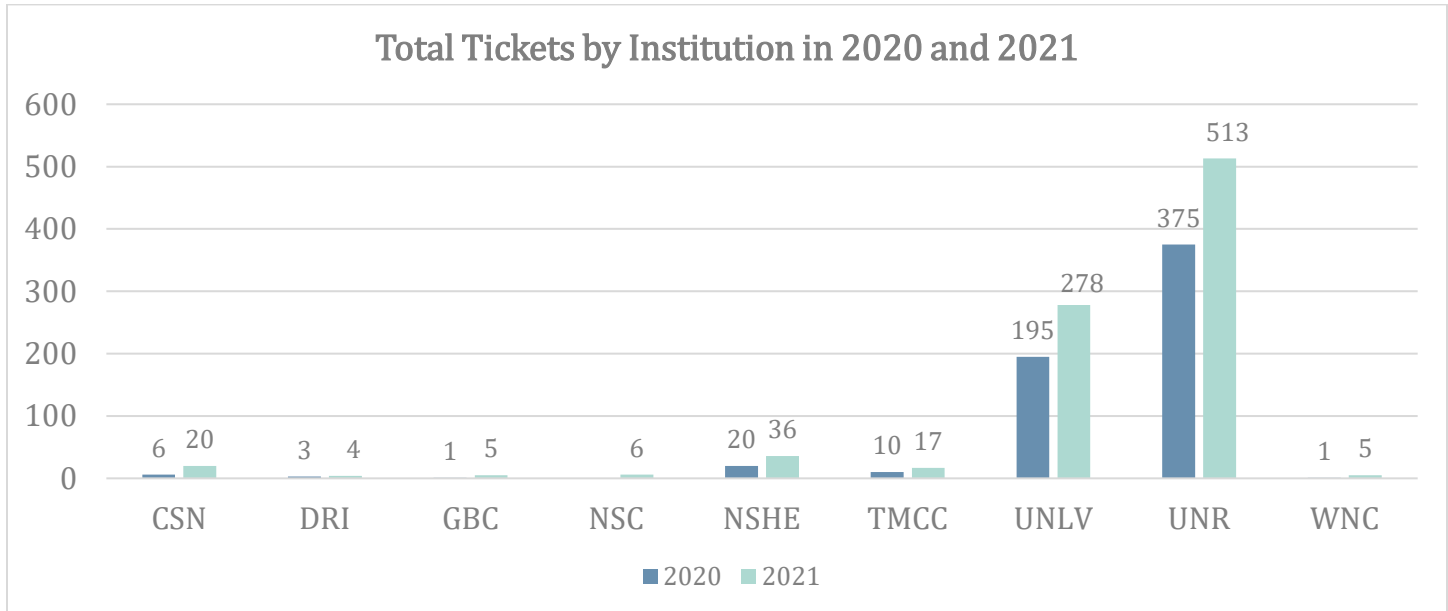


Figure 5.2: Total Tickets by Institution in 2020 and 2021

Total Monthly Tickets by Institution in 2021

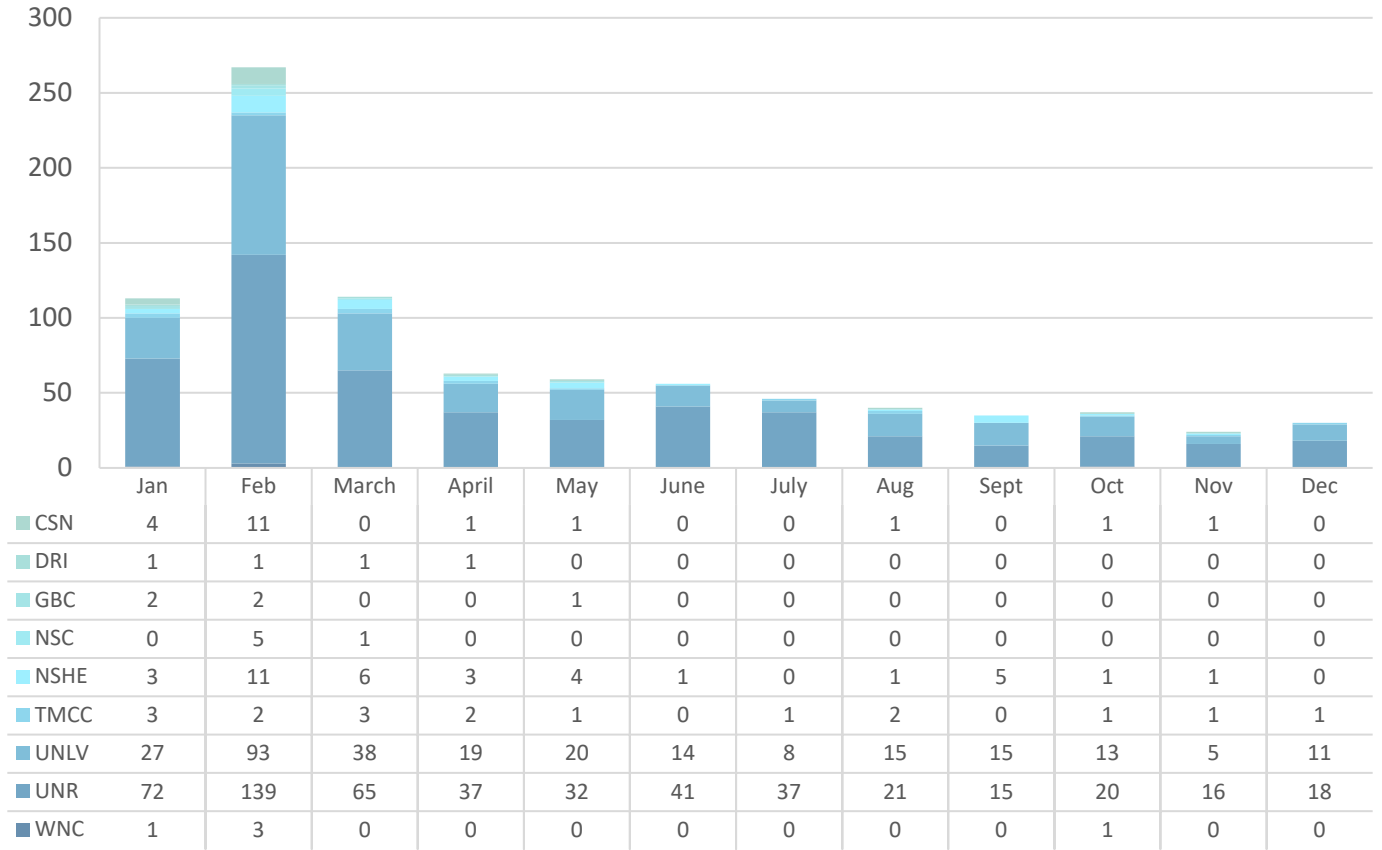


Figure 5.3: Total Monthly Tickets by Institution in 2021

Total Monthly Tickets by Institution in 2020

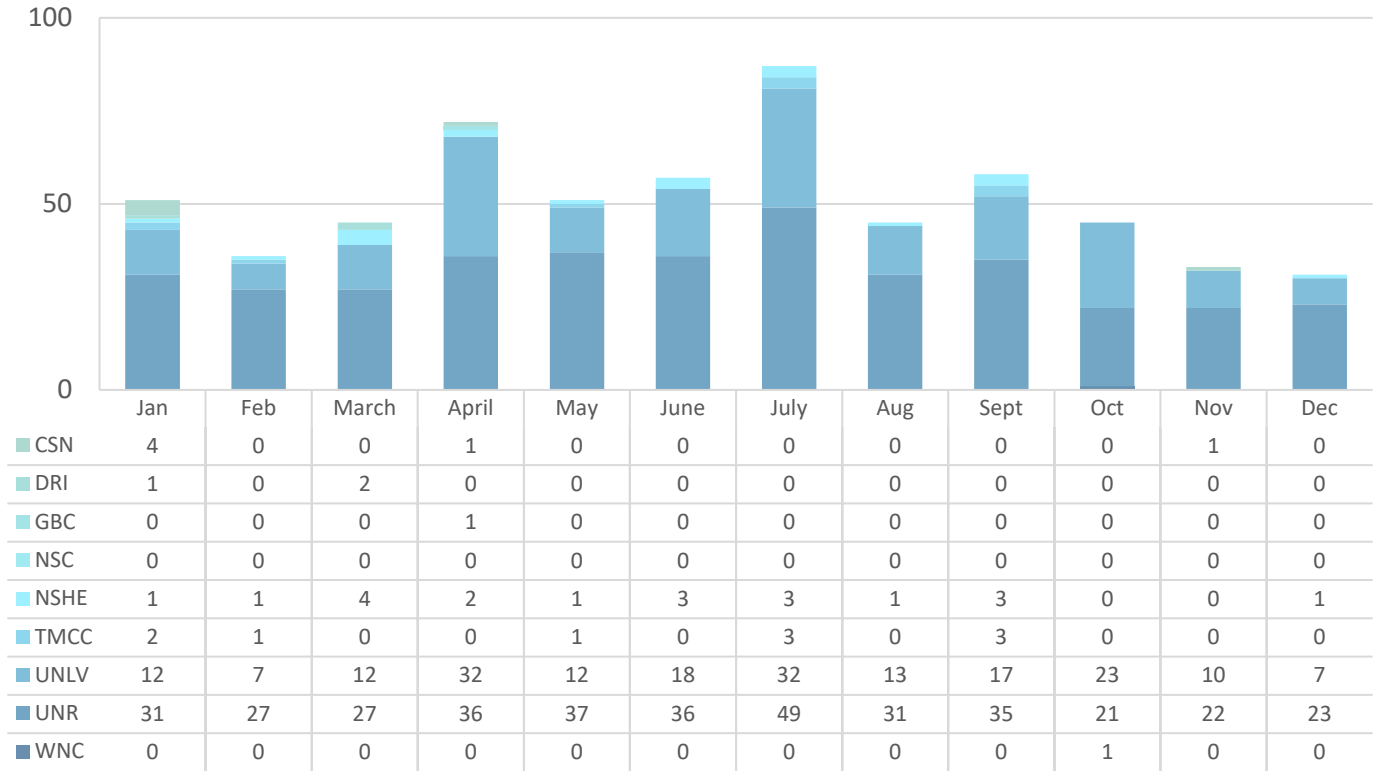


Figure 5.4: Total Monthly Tickets by Institution in 2020

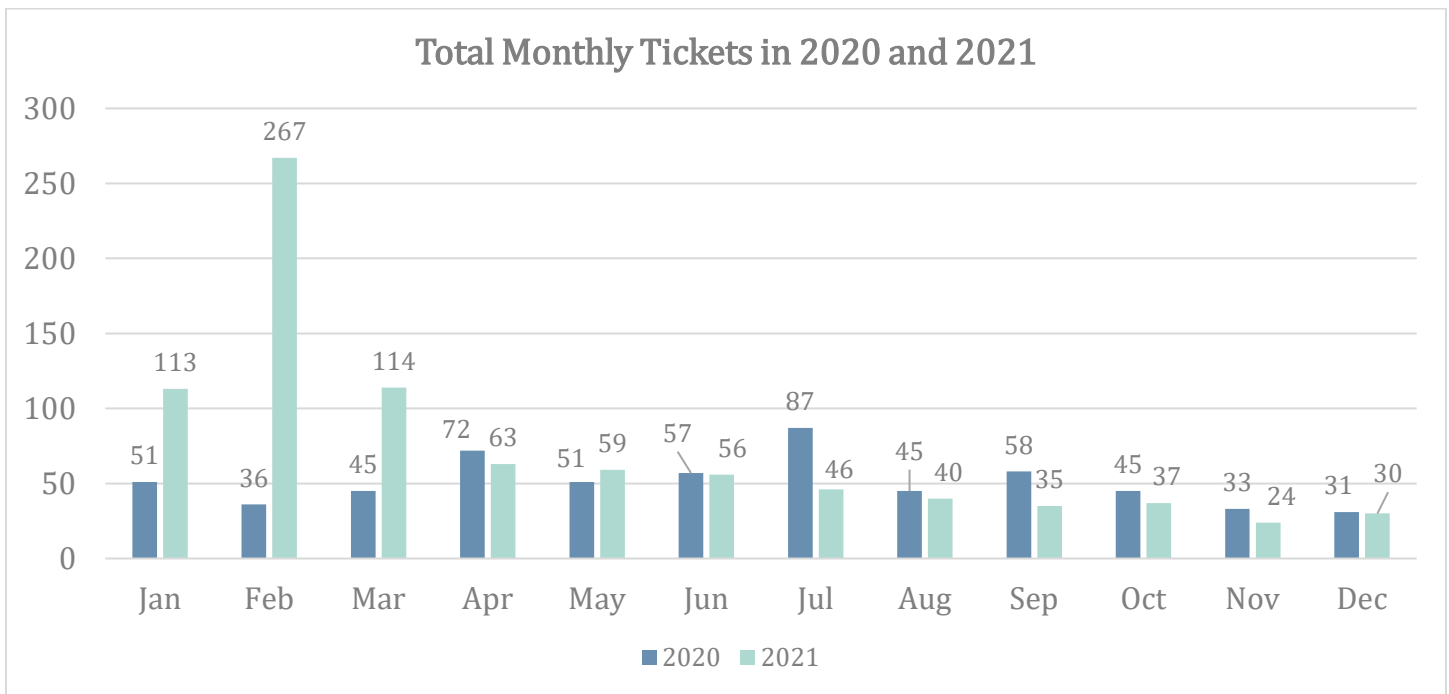


Figure 5.5: Total Monthly Tickets in 2020 and 2021

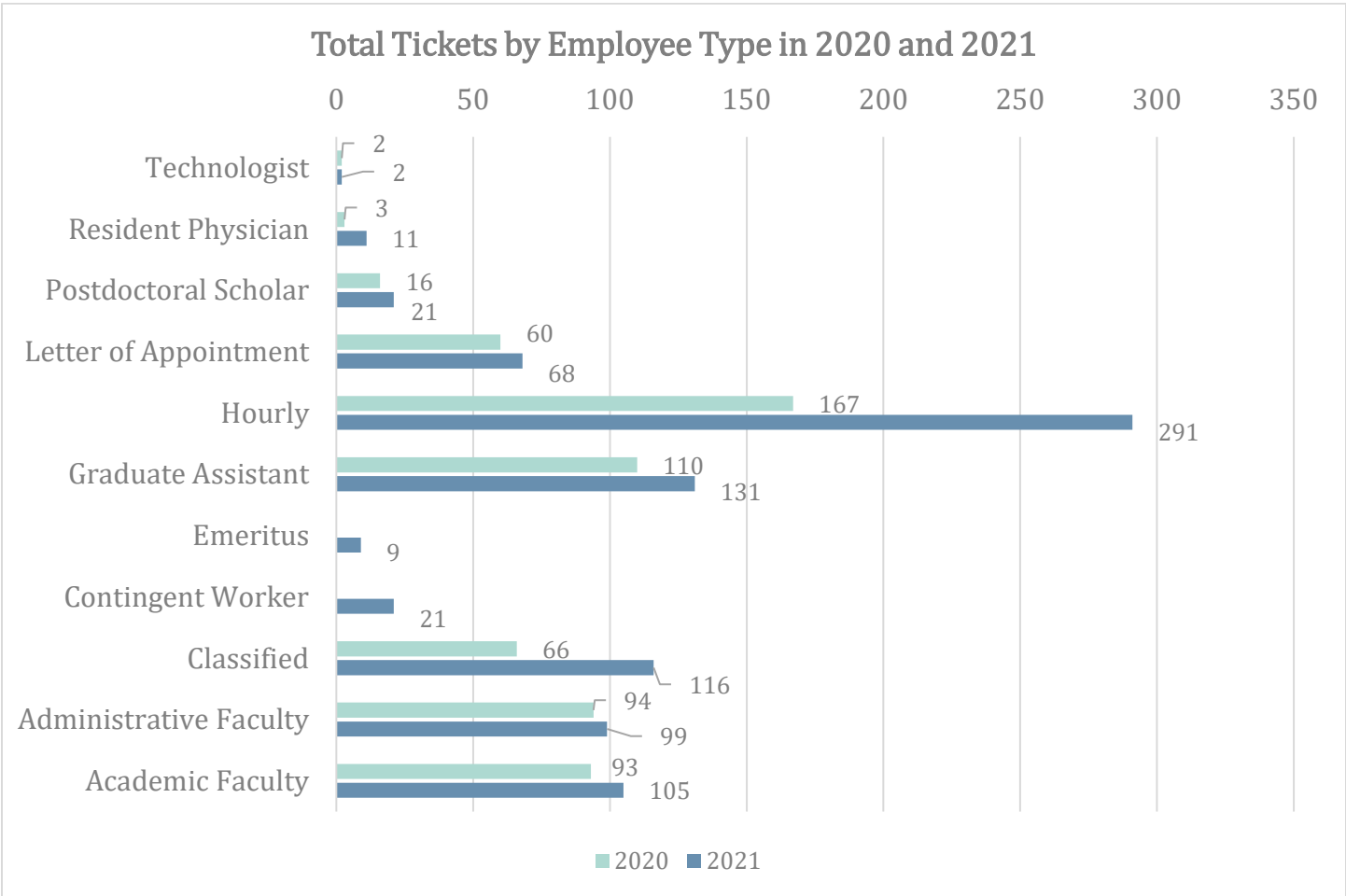


Figure 5.6: Total Tickets by Employee Type in 2020 and 2021

6. Cost of Payroll

	Amount
Total Payroll Expense	\$998,178,028.00
Total Payroll Budget	\$1,426,042.00
Percent of Total Payroll Expenses	.14%
Number of Payments	477,384
Average Payroll Cost Per Payment	\$2.99

Figure 6.1: Breakdown of Payroll expenses, including number of payments and average payroll cost per payment

	FTE	Amount
Payroll Processing	9.50	\$790,338.00
Payroll Customer Service	5.90	\$432,420.00
Payroll Banking	0.25	\$35,095.00
Payroll Accounting	<u>1.35</u>	<u>\$168,189.00</u>
Total	<u>17.00</u>	<u>\$1,426,042.00</u>

Figure 6.2: Breakdown of NSHE Payroll Budget Fiscal Year 2021