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.
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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.*

![Bar chart showing On-Cycle Payments by Institution for 2020 and 2021 (thousands)](image)

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

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.
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.
Figure 2.4: 2020 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.

**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%.

**Figure 3.2: 2021 Percent of Payments with Retroactive Payroll Adjustments**

- 2021 Standard Payments
- 2021 Retroactive Adjustments
Figure 3.3: 2020 Percent of Payments with Retroactive Payroll Adjustments

The chart shows the percentage of payments that were retroactively adjusted for each institution in 2020. The institutions are CSN, DRI, GBC, NSC, NSHE, TMCC, UNLV, UNR, and WNC. The chart is divided into two sections: 2020 Standard Payments and 2020 Retroactive Adjustments. The percentages range from 80.0% to 100.0%.
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.
<table>
<thead>
<tr>
<th>Institution</th>
<th>Change Job</th>
<th>Benefit Change</th>
<th>Comp Change</th>
<th>Leave of Absence</th>
<th>Payroll Input</th>
<th>Rescind Event</th>
<th>Retro Hire</th>
<th>Retro Term</th>
<th>Time Block</th>
<th>Time Off</th>
</tr>
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<tbody>
<tr>
<td>CSN 2021</td>
<td>30</td>
<td>61</td>
<td>187</td>
<td>29</td>
<td>76</td>
<td>14</td>
<td>3</td>
<td>29</td>
<td>87</td>
<td>431</td>
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<tr>
<td>CSN 2020</td>
<td>20</td>
<td>133</td>
<td>436</td>
<td>31</td>
<td>65</td>
<td>17</td>
<td>23</td>
<td>55</td>
<td>148</td>
<td>555</td>
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<tr>
<td>DRI 2021</td>
<td>6</td>
<td>40</td>
<td>16</td>
<td>8</td>
<td>11</td>
<td>1</td>
<td>0</td>
<td>6</td>
<td>80</td>
<td>952</td>
</tr>
<tr>
<td>DRI 2020</td>
<td>1</td>
<td>35</td>
<td>80</td>
<td>14</td>
<td>15</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>60</td>
<td>351</td>
</tr>
<tr>
<td>GBC 2021</td>
<td>0</td>
<td>7</td>
<td>8</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>26</td>
<td>61</td>
</tr>
<tr>
<td>GBC 2020</td>
<td>0</td>
<td>12</td>
<td>8</td>
<td>2</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>32</td>
<td>57</td>
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<tr>
<td>NSC 2021</td>
<td>9</td>
<td>15</td>
<td>50</td>
<td>4</td>
<td>16</td>
<td>1</td>
<td>0</td>
<td>6</td>
<td>27</td>
<td>122</td>
</tr>
<tr>
<td>NSC 2020</td>
<td>2</td>
<td>31</td>
<td>56</td>
<td>5</td>
<td>14</td>
<td>4</td>
<td>0</td>
<td>5</td>
<td>52</td>
<td>138</td>
</tr>
<tr>
<td>NSHE 2021</td>
<td>6</td>
<td>11</td>
<td>17</td>
<td>10</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>87</td>
</tr>
<tr>
<td>NSHE 2020</td>
<td>0</td>
<td>5</td>
<td>13</td>
<td>5</td>
<td>9</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>9</td>
<td>79</td>
</tr>
<tr>
<td>TMCC 2021</td>
<td>17</td>
<td>36</td>
<td>72</td>
<td>21</td>
<td>39</td>
<td>4</td>
<td>0</td>
<td>36</td>
<td>56</td>
<td>276</td>
</tr>
<tr>
<td>TMCC 2020</td>
<td>1</td>
<td>33</td>
<td>84</td>
<td>19</td>
<td>27</td>
<td>1</td>
<td>1</td>
<td>15</td>
<td>44</td>
<td>405</td>
</tr>
<tr>
<td>UNLV 2020</td>
<td>64</td>
<td>540</td>
<td>888</td>
<td>98</td>
<td>667</td>
<td>90</td>
<td>142</td>
<td>351</td>
<td>1349</td>
<td>2503</td>
</tr>
<tr>
<td>UNR 2021</td>
<td>112</td>
<td>316</td>
<td>706</td>
<td>65</td>
<td>261</td>
<td>62</td>
<td>12</td>
<td>225</td>
<td>801</td>
<td>1428</td>
</tr>
<tr>
<td>UNR 2020</td>
<td>41</td>
<td>226</td>
<td>588</td>
<td>134</td>
<td>257</td>
<td>54</td>
<td>26</td>
<td>174</td>
<td>715</td>
<td>1534</td>
</tr>
<tr>
<td>WNC 2021</td>
<td>2</td>
<td>8</td>
<td>80</td>
<td>4</td>
<td>69</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>61</td>
<td>75</td>
</tr>
<tr>
<td>WNC 2020</td>
<td>5</td>
<td>13</td>
<td>30</td>
<td>6</td>
<td>17</td>
<td>3</td>
<td>0</td>
<td>10</td>
<td>74</td>
<td>89</td>
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</tbody>
</table>

*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.

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 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**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Standard Time Submissions</th>
<th>En Masse Time Submissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSN</td>
<td>93.0%</td>
<td>7.0%</td>
</tr>
<tr>
<td>DRI</td>
<td>89.0%</td>
<td>11.0%</td>
</tr>
<tr>
<td>GBC</td>
<td>97.4%</td>
<td>4.6%</td>
</tr>
<tr>
<td>NSC</td>
<td>93.6%</td>
<td>6.4%</td>
</tr>
<tr>
<td>NSHE</td>
<td>87.4%</td>
<td>12.6%</td>
</tr>
<tr>
<td>TMCC</td>
<td>92.1%</td>
<td>7.9%</td>
</tr>
<tr>
<td>UNLV</td>
<td>87.9%</td>
<td>12.1%</td>
</tr>
<tr>
<td>UNR</td>
<td>87.1%</td>
<td>12.9%</td>
</tr>
<tr>
<td>WNC</td>
<td>92.3%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

*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**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Standard Time Submissions</th>
<th>En Masse Time Submissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSN</td>
<td>95.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>DRI</td>
<td>94.6%</td>
<td>5.4%</td>
</tr>
<tr>
<td>GBC</td>
<td>94.5%</td>
<td>5.5%</td>
</tr>
<tr>
<td>NSC</td>
<td>92.2%</td>
<td>7.8%</td>
</tr>
<tr>
<td>NSHE</td>
<td>87.4%</td>
<td>12.6%</td>
</tr>
<tr>
<td>TMCC</td>
<td>95.7%</td>
<td>4.3%</td>
</tr>
<tr>
<td>UNLV</td>
<td>90.4%</td>
<td>9.6%</td>
</tr>
<tr>
<td>UNR</td>
<td>90.3%</td>
<td>9.7%</td>
</tr>
<tr>
<td>WNC</td>
<td>93.6%</td>
<td>6.4%</td>
</tr>
</tbody>
</table>

*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.

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Help Desk Tickets</td>
<td>611</td>
<td>884</td>
</tr>
<tr>
<td>Average Ticket Resolution</td>
<td>3.3 days</td>
<td>4.0 days</td>
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</tbody>
</table>

*Figure 5.1: Breakdown of NSHE Payroll Tickets*

*Figure 5.2: Total Tickets by Institution in 2020 and 2021*
Figure 5.3: Total Monthly Tickets by Institution in 2021
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**

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Payroll Expense</td>
<td>$998,178,028.00</td>
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<tr>
<td>Total Payroll Budget</td>
<td>$1,426,042.00</td>
</tr>
<tr>
<td>Percent of Total Payroll Expenses</td>
<td>0.14%</td>
</tr>
<tr>
<td>Number of Payments</td>
<td>477,384</td>
</tr>
<tr>
<td>Average Payroll Cost Per Payment</td>
<td>$2.99</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>FTE</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll Processing</td>
<td>9.50</td>
</tr>
<tr>
<td>Payroll Customer Service</td>
<td>5.90</td>
</tr>
<tr>
<td>Payroll Banking</td>
<td>0.25</td>
</tr>
<tr>
<td>Payroll Accounting</td>
<td>1.35</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17.00</strong></td>
</tr>
</tbody>
</table>

*Figure 6.2: Breakdown of NSHE Payroll Budget Fiscal Year 2021*