ANNUAL REPORT

2022 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 2022, NPS implemented the following measures to improve efficiency and achieve cost savings:

- The system-wide helpdesk began tracking a new ticket type, which accounted for roughly 1200 additional tickets throughout 2022,
- W-2 processing continues to be managed internally by NPS, 29,925 W-2s were produced in 2022. In the third year of NPS processing W-2s, the percentage of employees opting in to electronic-only W-2s increased from 12.4% to 18.4%, continuing the trend exhibited in 2021 of reducing 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 continuing to accommodate remote work agreements in 2022, NPS increased its support for state tax compliance from 38 states in 2021 to 47 states in 2022.

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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Total Payments by Institution for 2021 and 2022 (thousands)

Figure 1.1: Total Payments by Institution for 2021 and 2022

Voided (Stopped) Payments by Institution

Figure 1.2: Voided (stopped) Payment by Institution for 2021 and 2022

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, 370,402 payments were completed in 2022, 361,731 were completed in 2021. In 2022 and 2021, off-cycle payments were 16,373 and 12,958, respectively. The portion of off-cycle payments to total payments increased slightly from 3.58% to 4.42% from 2021 to 2022.[*]

On-Cycle Payments by Institution for 2021 and 2022 (thousands)
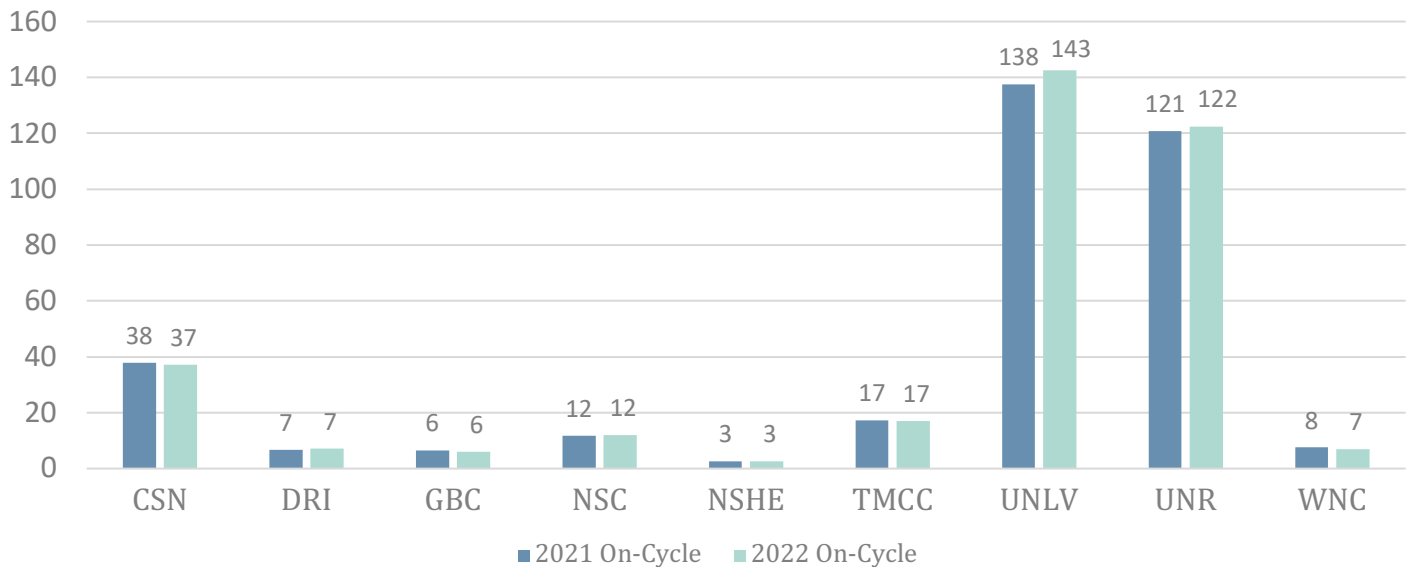
Figure 2.1: On-Cycle Payments by Institution for 2021 and 2022

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.

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[*] Payroll payment data has been adjusted for 2021 and 2022 to reflect year-end tax adjustments related to producing W-2s.

Off-Cycle Payments by Institution for 2021 and 2022
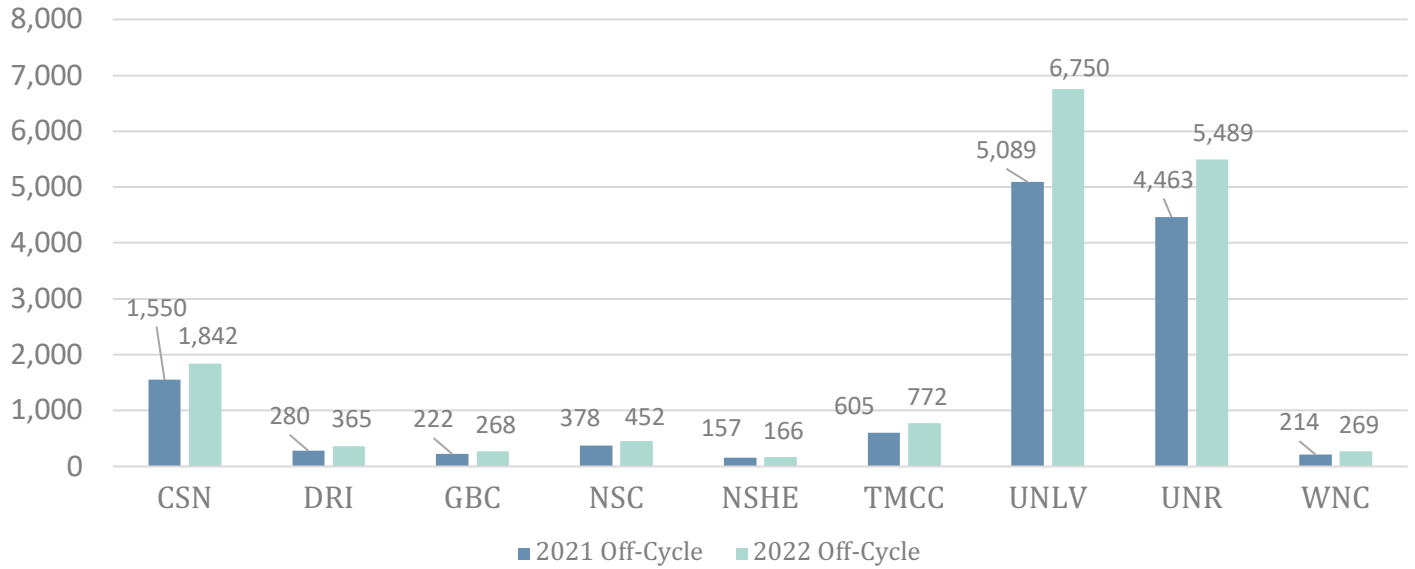
Figure 2.2: Off-Cycle Payments by Institution for 2021 and 2022

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 increased overall for NSHE from 2021 to 2022. The portion of on-cycle to off-cycle payments also increased slightly when comparing 2021 and 2022.

2022 Percent of On-Cycle to Off-Cycle Payments
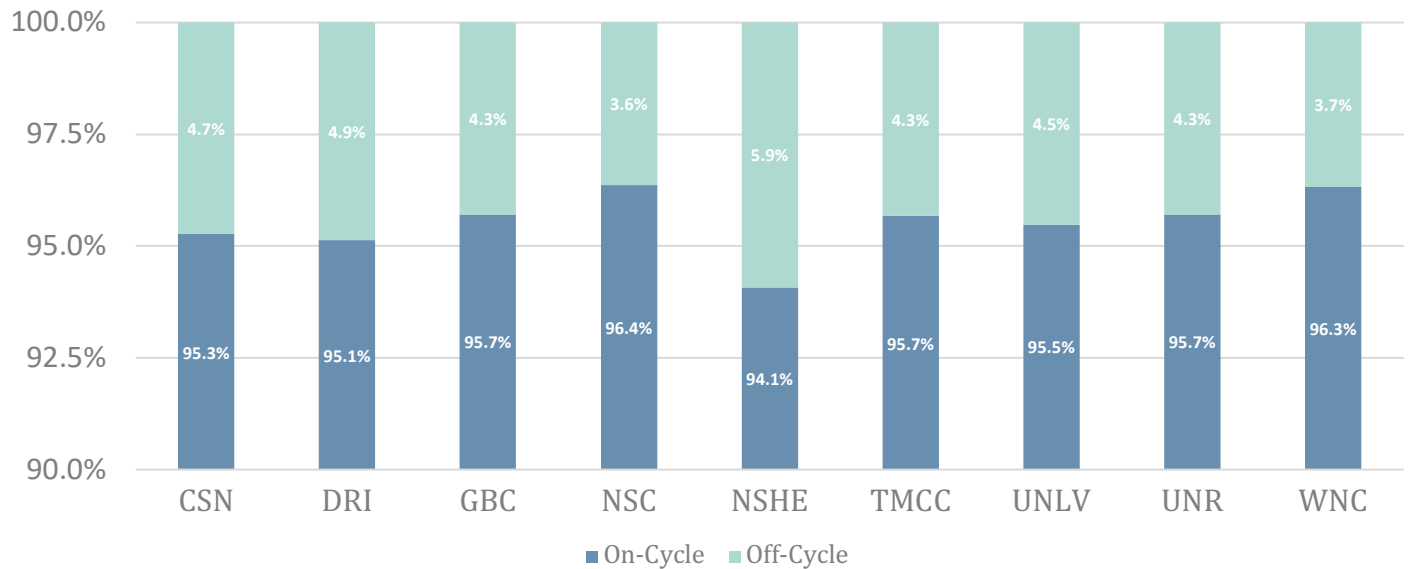
Figure 2.3: 2022 Percent of On-Cycle to Off-Cycle Payments

2021 Percent of On-Cycle to Off-Cycle Payments
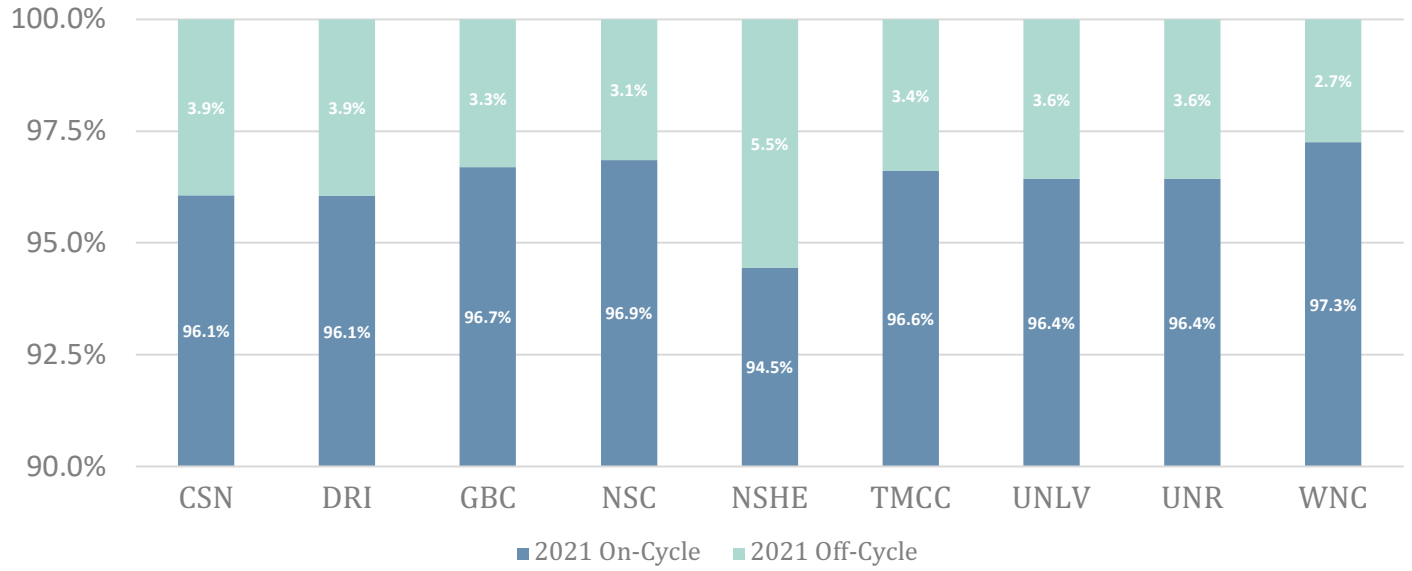
Figure 2.4: 2021 Percent of On-Cycle to Off-Cycle Payments

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 2021 and 2022
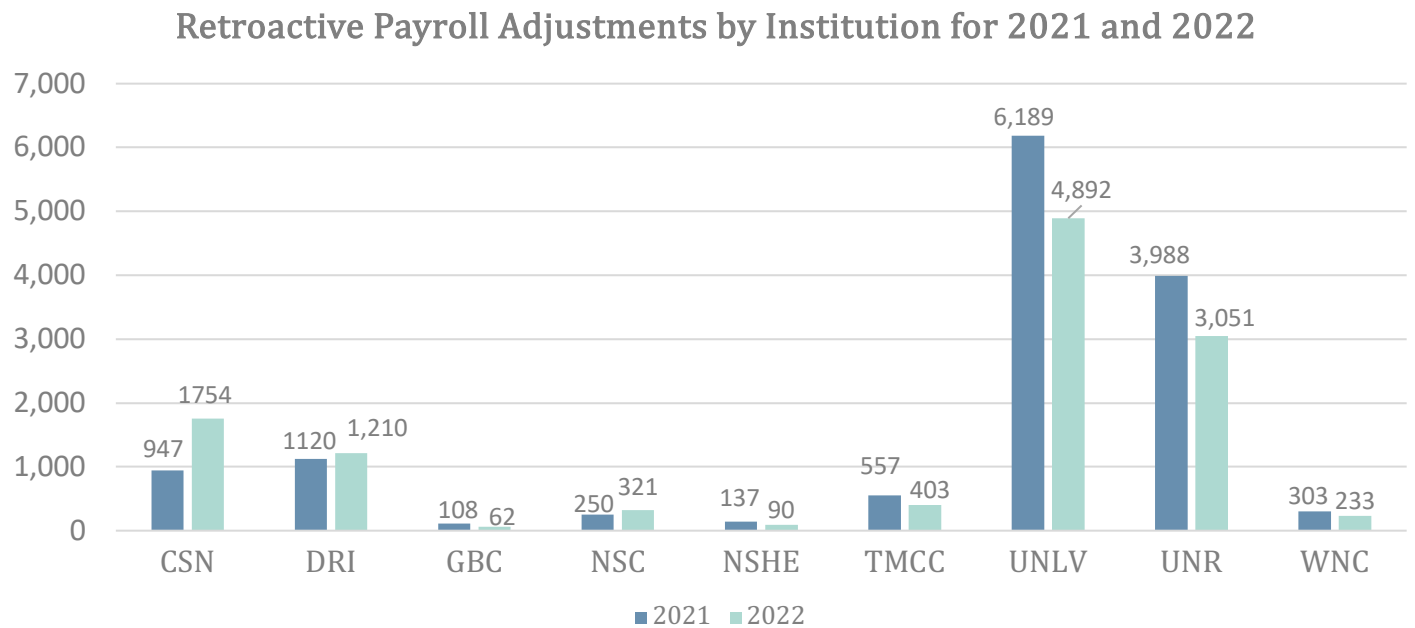
Figure 3.1: Retroactive Payroll Adjustments for 2021 and 2022

Retroactive payroll adjustments decreased overall from 2021 to 2022. The percentage of total payments with retroactive adjustments also decreased slightly between 2021 and 2022 for all campuses from 3.8% to 3.2%.

2022 Percent of Payments with Retroactive Payroll Adjustments
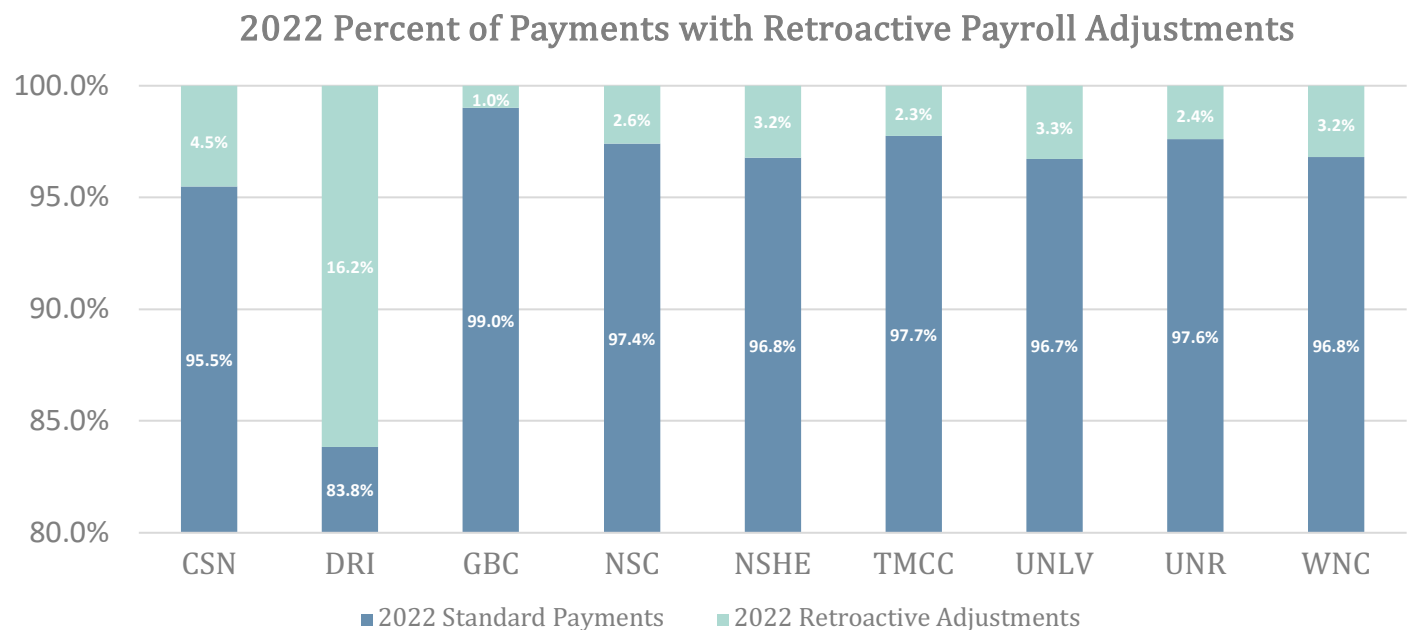
Figure 3.2: 2022 Percent of Payments with Retroactive Payroll Adjustments

2021 Percent of Payments with Retroactive Payroll Adjustments

	CSN	DRI	GBC	NSC	NSHE	TMCC	UNLV	UNR	WNC
2021 Retroactive Adjustments	2.4%	15.8%	1.6%	2.1%	4.8%	3.1%	4.3%	3.2%	3.9%
2021 Standard Payments	97.6%	84.2%	98.4%	97.9%	95.2%	96.9%	95.7%	96.8%	96.1%

■ 2021 Standard Payments ■ 2021 Retroactive Adjustments

Figure 3.3: 2021 Percent of Payments with Retroactive Payroll Adjustments

Retroactive Adjustments by Type for 2021 and 2022

Type	2021	2022
Add Additional Job	412	417
Benefit Change	832	430
Compensation Change	2,110	3,291
Leave of Absence	224	109
Payroll Input	1,132	1,236
Rescind Event	141	227
Retro Hire	182	172
Retro Termination	640	320
Time Block	2,496	2,585
Time Off	5,430	3,229

■ 2021 ■ 2022
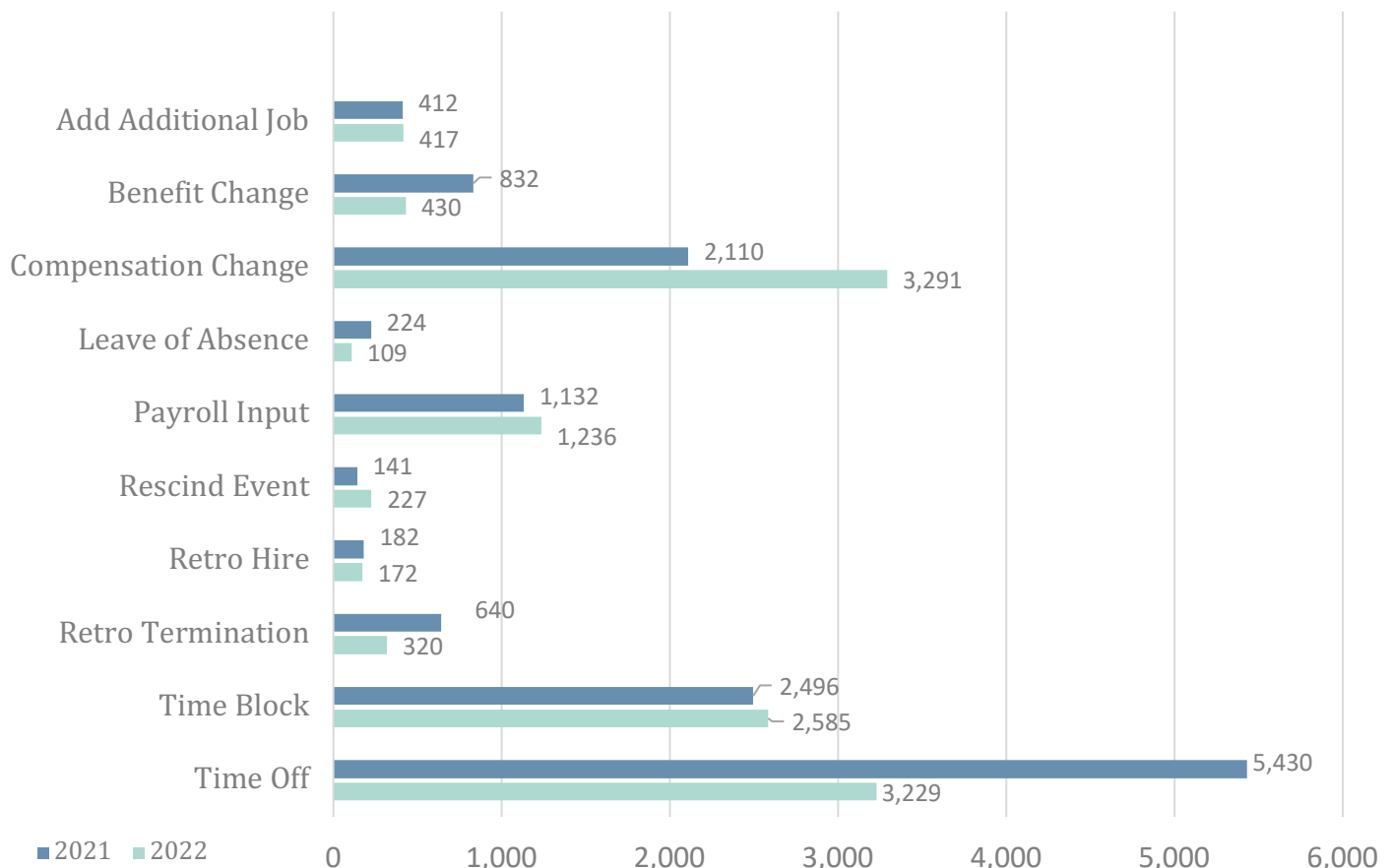
Figure 3.4: Number of Retroactive Adjustments by Type for 2021 and 2022

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.
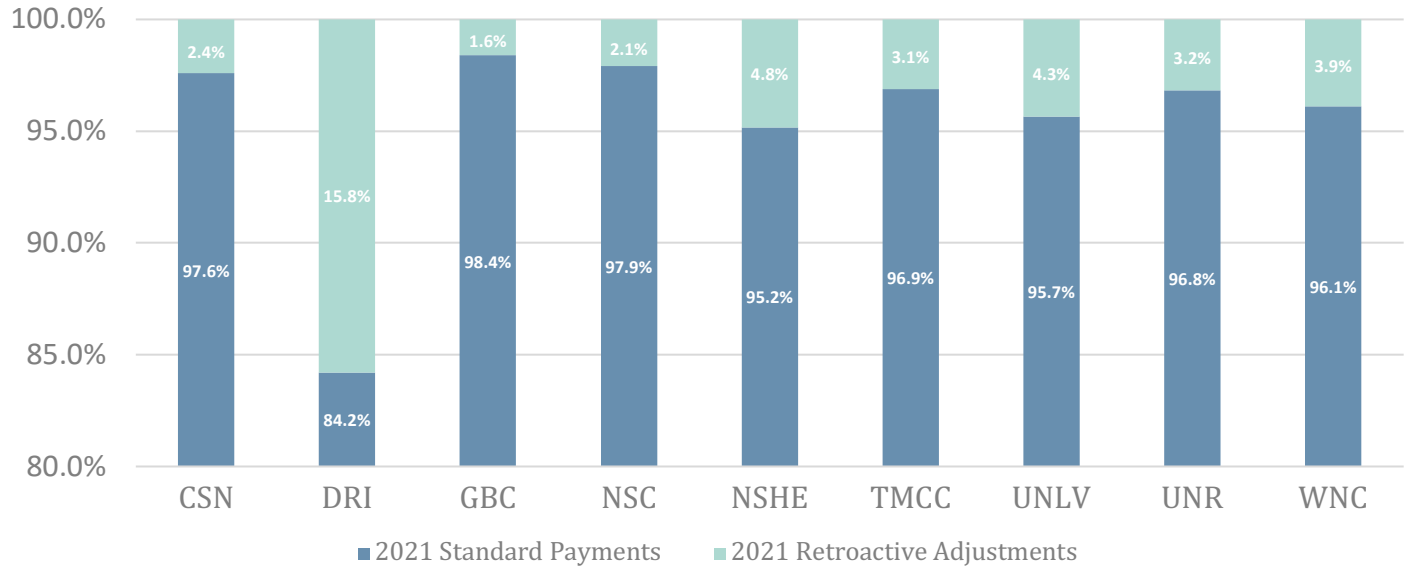*Benefit Change: HR business process for benefit changes in Workday that are not completed timely for payroll completion.*
Compensation Change: HR business process for compensation changes in Workday that are not completed timely for payroll completion.
Leave of Absence: Leave corrections such as FMLA 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.

Institution	Change Job	Benefit Change	Comp Change	Leave of Absence	Payroll Input	Rescind Event	Retro Hire	Retro Term	Time Block	Time Off
2021 and 2022 Breakdown of Retroactive Payments by Reason and Institution										
CSN 2022	41	55	1136	8	74	48	5	7	136	244
CSN 2021	30	61	187	29	76	14	3	29	87	431
DRI 2022	16	35	25	1	21	11	0	0	111	990
DRI 2021	6	40	16	8	11	1	0	6	80	952
GBC 2022	1	2	4	3	6	1	0	0	31	14
GBC 2021	0	7	8	1	4	1	0	0	26	61
NSC 2022	9	12	96	1	48	8	1	0	39	107
NSC 2021	9	15	50	4	16	1	0	6	27	122
NSHE 2022	5	6	22	3	7	3	1	0	1	42
NSHE 2021	6	11	17	10	1	1	0	0	4	87
TMCC 2022	13	22	133	5	37	1	0	0	112	80
TMCC 2021	17	36	72	21	39	4	0	36	56	276
UNLV 2022	200	196	973	57	661	101	146	184	1285	1089
UNLV 2021	230	338	974	82	655	53	167	338	1354	1998
UNR 2022	122	96	828	28	342	53	18	129	805	630
UNR 2021	112	316	706	65	261	62	12	225	801	1428
WNC 2022	10	6	74	3	40	1	1	0	65	33
WNC 2021	2	8	80	4	69	4	0	0	61	75

Figure 3.5: 2021 and 2022 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 increased from 101,653 in 2021 to 110,373 in 2022; this is an 8.6% increase from 2021 to 2022.

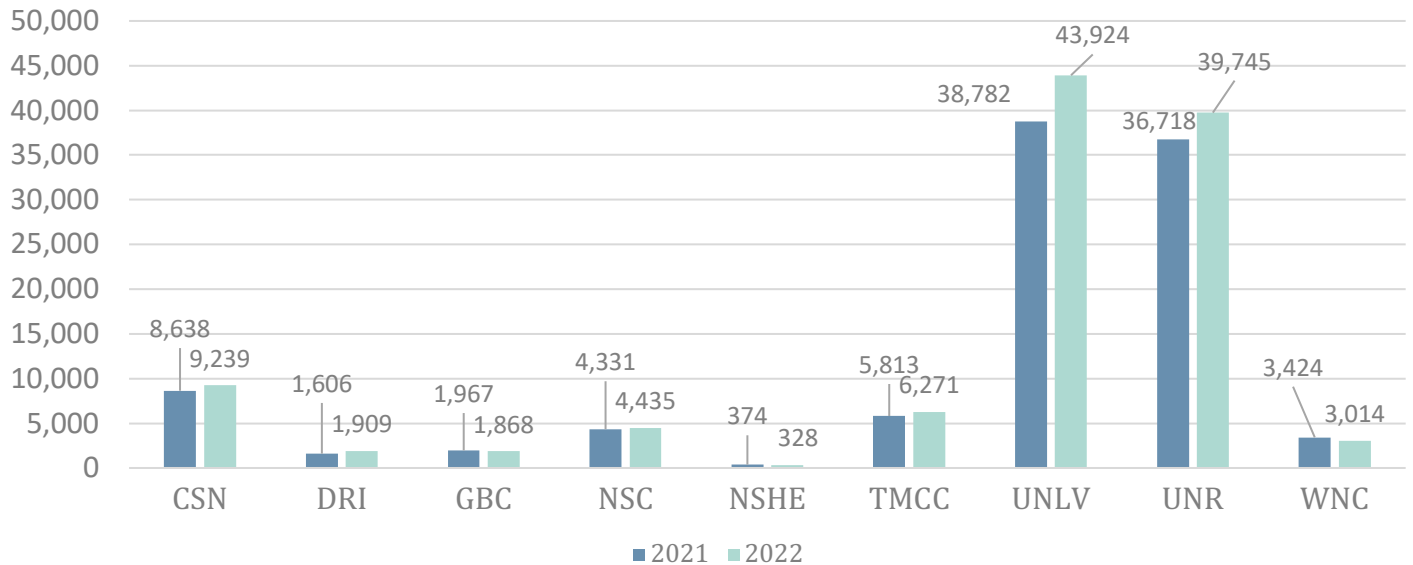## Standard Time Submissions by Institution for 2021 and 2022

Figure 4.1: Standard Time Submissions by Institution for 2021 and 2022

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 2021 and 2022 were 12,851 and 10,544, respectively, a decrease of 18%. This decrease is an indication that 2022 saw an improvement in supervisors are approving time for their employees prior to payroll needing to be run.

En Masse Time Submissions by Institution for 2021 and 2022
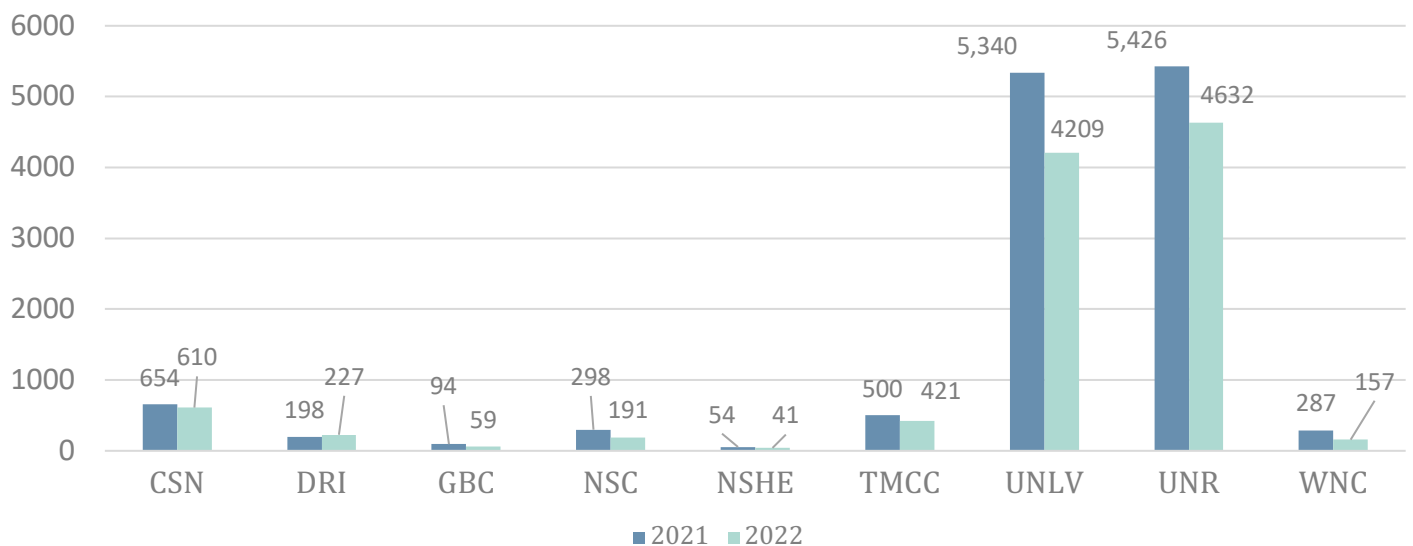
Figure 4.2: En Masse Time Submissions by Institution for 2021 and 2022

En masse time submissions decreased overall for a majority of campuses from 2021 to 2022. In addition, the portion of all time submissions that were submitted en masse time decreased for a majority of campuses.

2022 Percent of Standard and En Masse Time Submissions by Institution

Figure 4.3: 2022 Percent of Standard to En Masse Time Submissions by Institution

2021 Percent of Standard and En Masse Time Submissions by Institution
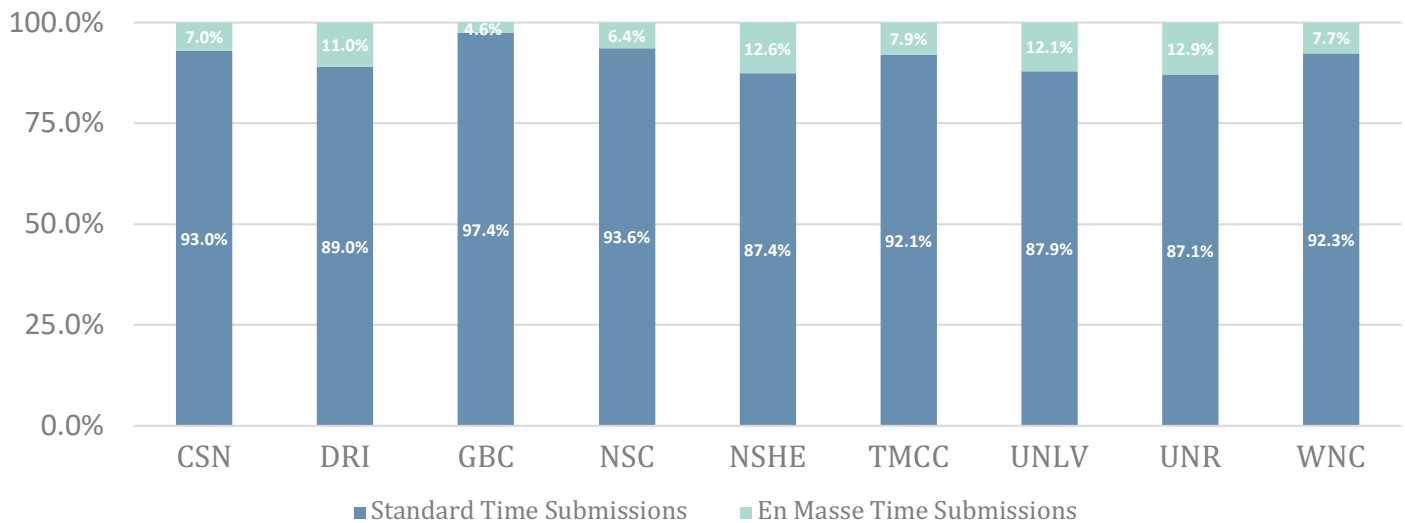
Figure 4.4: 2021 Percent of Standard and En Masse Time Submissions by Institution

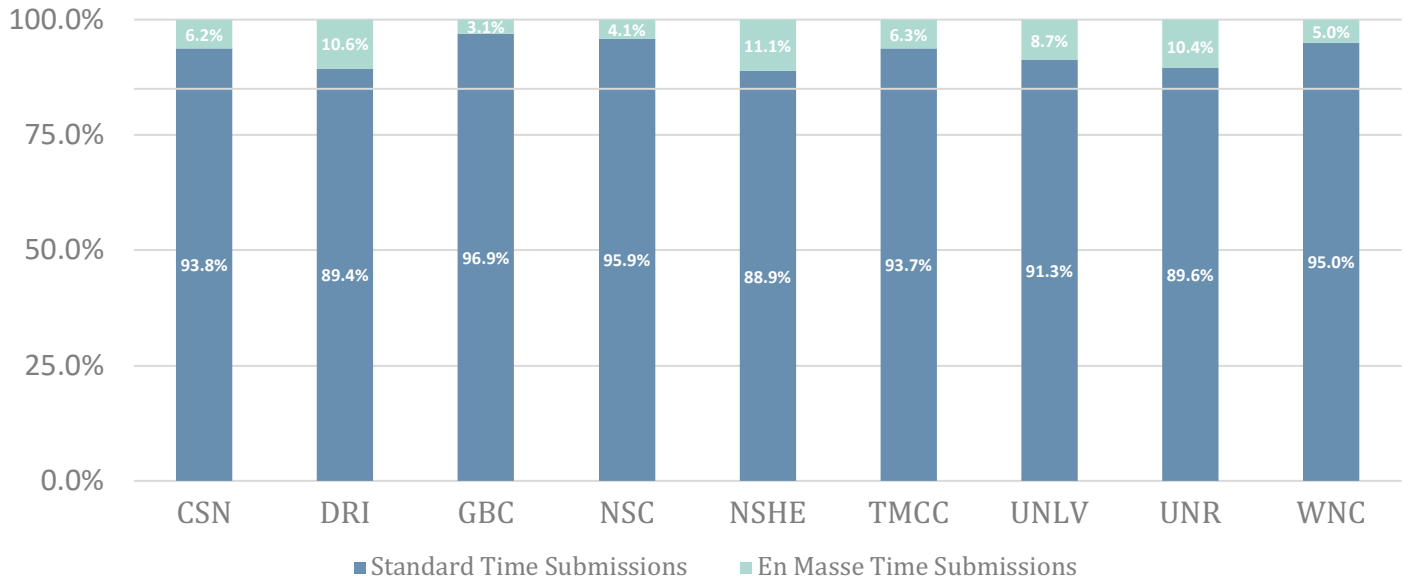# 5.   NSHE Payroll Help Desk Data

In 2022, Payroll began tracking all on demand payment requests through the ticketing system. This accounts for the sharp increase in total ticket count in 2022 when compared to 2021.
Despite the increase in overall ticket count, the average days for a ticket to be resolved decreased slightly from 4.0 days to 3.9 days.

	2021	2022
Total Help Desk Tickets	884	2,129
Average Ticket Resolution	4.0 days	3.9 days

Figure 5.1: Breakdown of NSHE Payroll Tickets
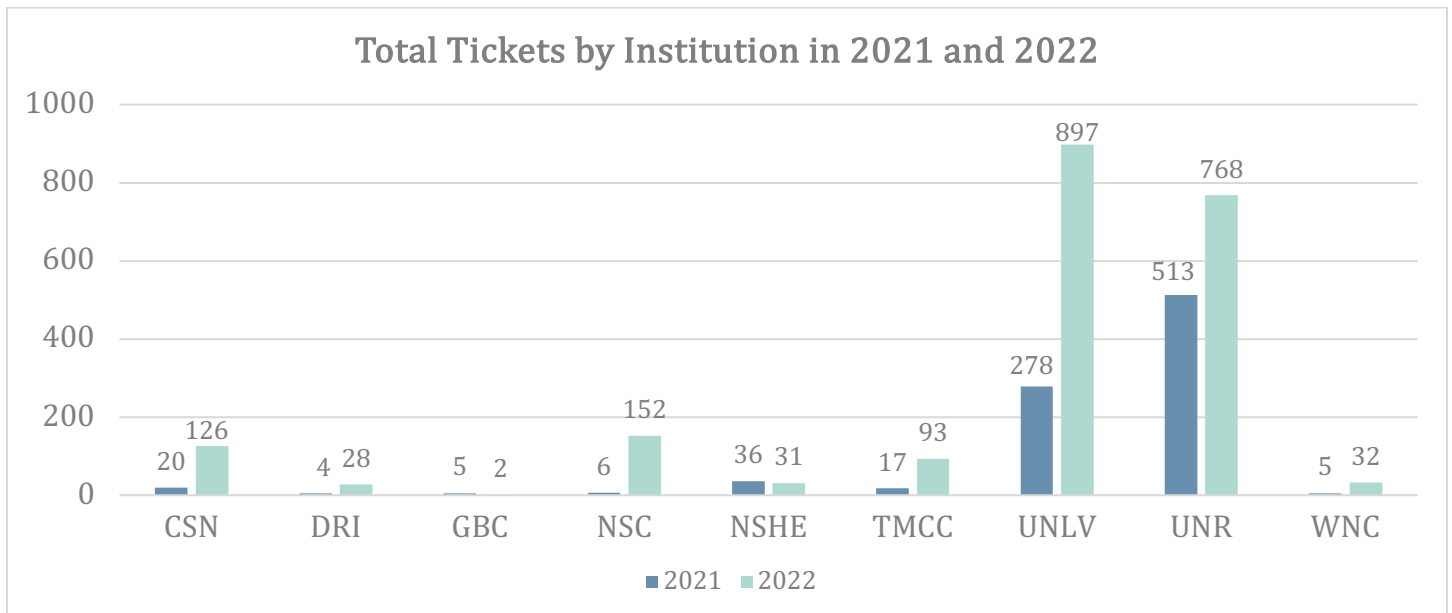
Figure 5.2: Total Tickets by Institution in 2021 and 2022

Total Monthly Tickets by Institution in 2022

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
■ CSN	2	13	6	3	6	4	10	31	16	19	3	13
■ DRI	1	2	1	4	2	3	6	2	0	6	1	0
■ GBC	1	0	0	0	0	0	1	0	0	0	0	0
■ NSC	6	1	4	80	0	1	32	10	2	11	4	1
■ NSHE	3	1	4	6	2	0	3	7	1	1	1	2
■ TMCC	4	5	1	9	3	11	5	9	25	14	2	5
■ UNLV	42	75	75	56	32	52	78	111	187	83	50	56
■ UNR	65	98	57	45	38	59	77	90	94	80	36	29
■ WNC	3	5	1	2	4	4	1	1	3	4	1	3
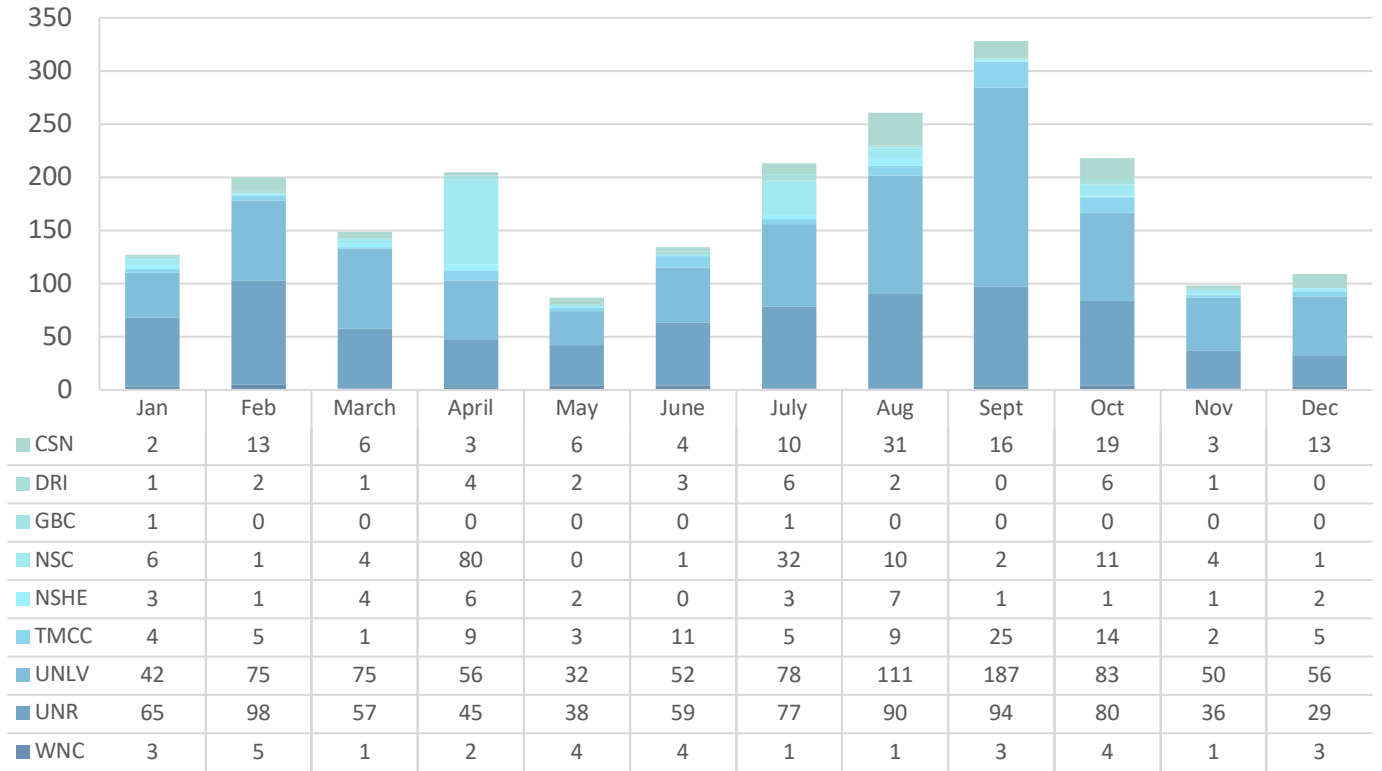
Figure 5.3: Total Monthly Tickets by Institution in 2022

Total Monthly Tickets by Institution in 2021

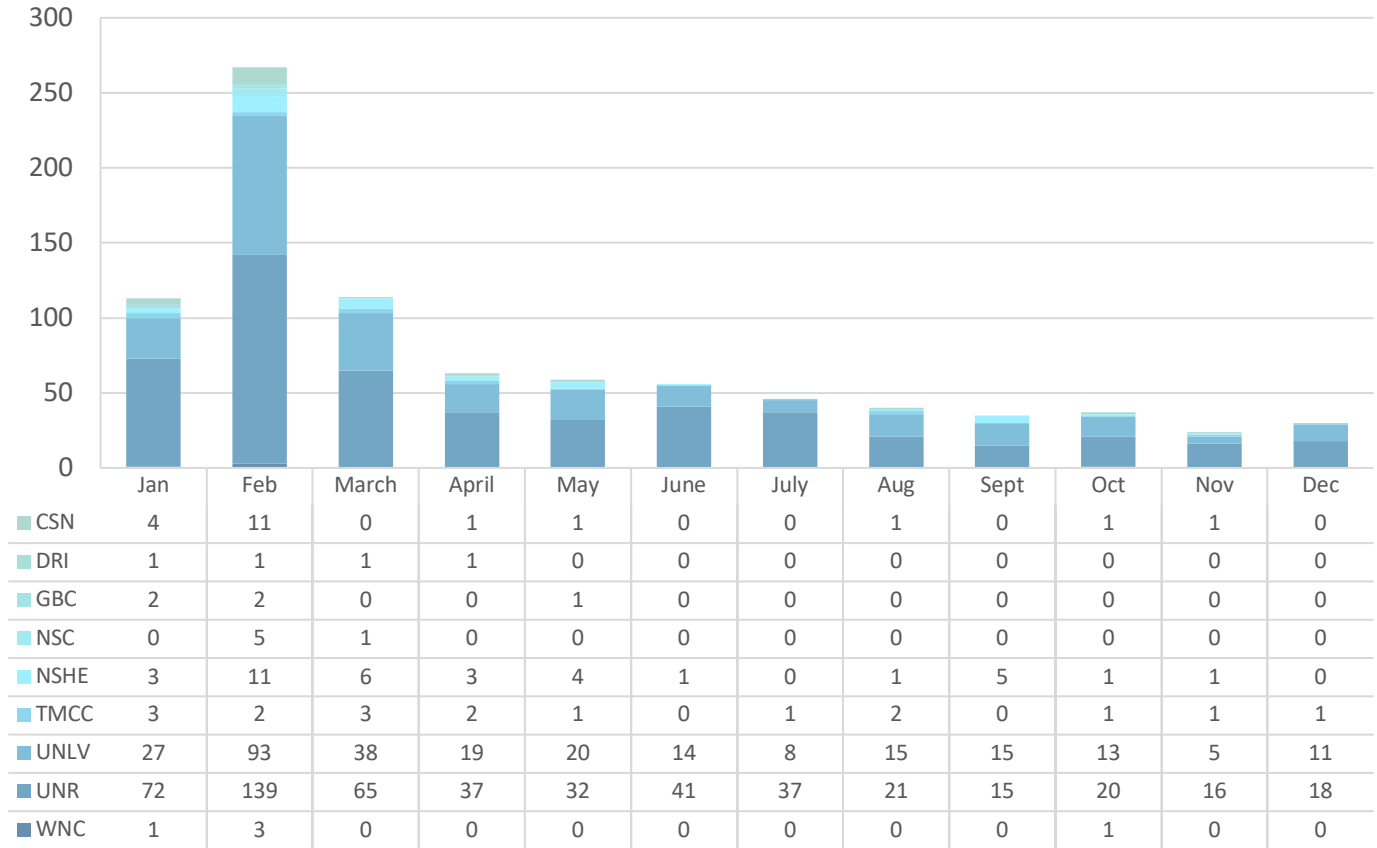|	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
CSN	4	11	0	1	1	0	0	1	0	1	1	0
DRI	1	1	1	1	0	0	0	0	0	0	0	0
GBC	2	2	0	0	1	0	0	0	0	0	0	0
NSC	0	5	1	0	0	0	0	0	0	0	0	0
NSHE	3	11	6	3	4	1	0	1	5	1	1	0
TMCC	3	2	3	2	1	0	1	2	0	1	1	1
UNLV	27	93	38	19	20	14	8	15	15	13	5	11
UNR	72	139	65	37	32	41	37	21	15	20	16	18
WNC	1	3	0	0	0	0	0	0	0	1	0	0

Figure 5.4: Total Monthly Tickets by Institution in 2021
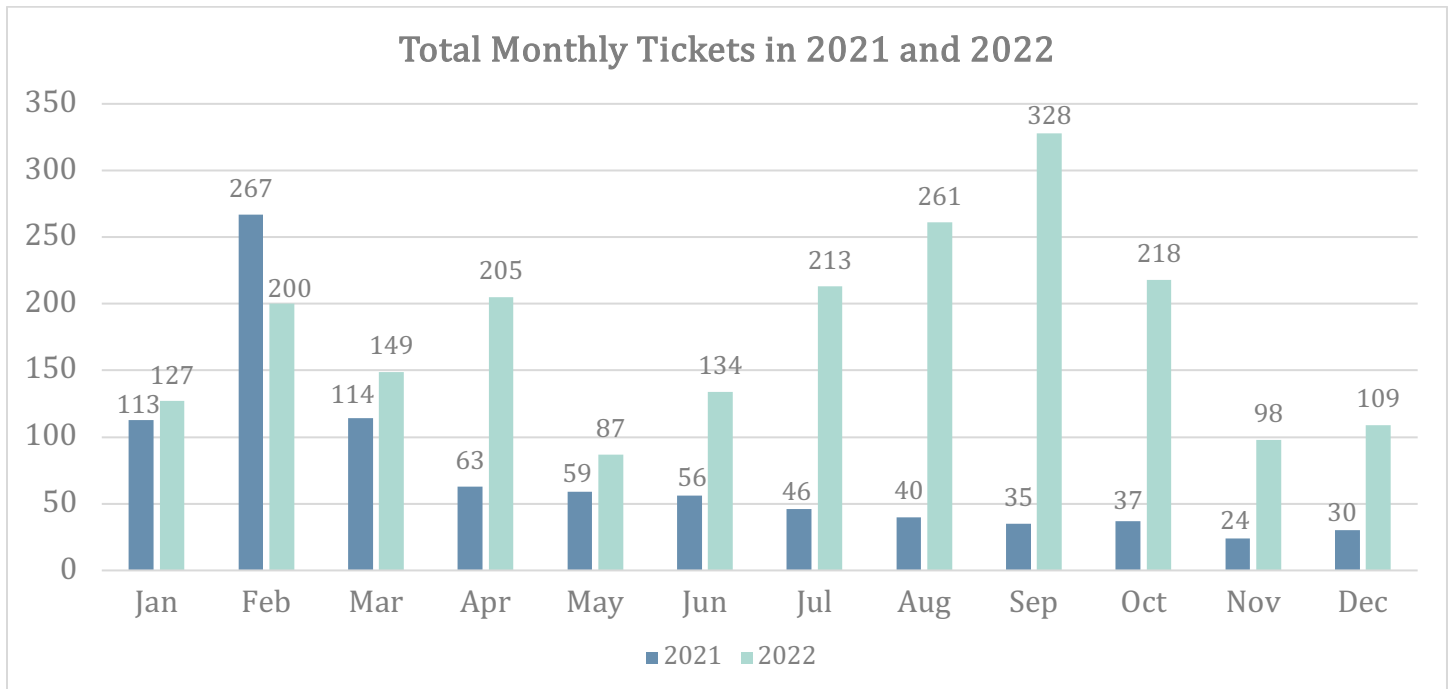
Total Monthly Tickets in 2021 and 2022
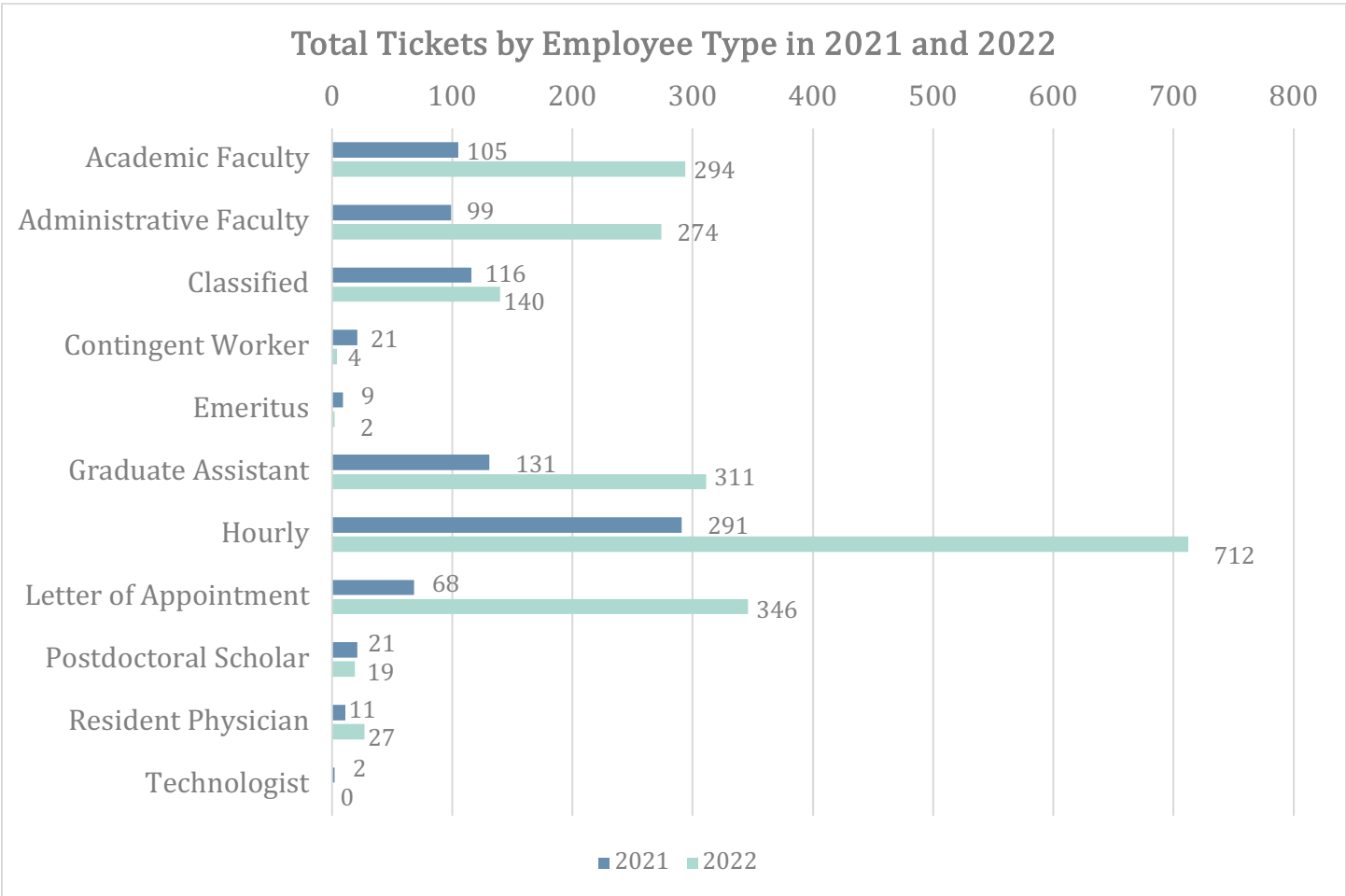

Figure 5.5: Total Monthly Tickets in 2021 and 2022

Figure 5.6: Total Tickets by Employee Type in 2021 and 2022

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	1.35	$168,189.00
Total	**17.00**	**$1,426,042.00**

Figure 6.2: Breakdown of NSHE Payroll Budget Fiscal Year 2021