



ANNUAL REPORT

2023 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 2023, NPS implemented the following measures to improve efficiency and achieve cost savings:

- The system-wide helpdesk saw an increase in the total number of tickets resolved compared to the previous year, but was able to improve resolution time from 3.9 days in 2022, to 3.5 days in 2023,
- W-2 processing continues to be managed internally by NPS, 24,298 W-2s were produced in 2023. For the fourth year of NPS processing W-2s, the percentage of employees opting in to electronic-only W-2s increased from 18.4% to 20.8,
- NPS started working with PERS to streamline retirement reporting with the new Public Employees Retirement System (PERIS) with a go-live date of June 2024,
- NPS has worked diligently with PEBP to expand and streamline benefits integrations and with NSHE campuses continuing to accommodate remote work agreements in 2023, NPS remained steady in its support for state tax compliance at 47 states in 2023.

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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1. Total Payments and Voided Payments

Figure 1.1: Total Payments by Institution for 2022 and 2023

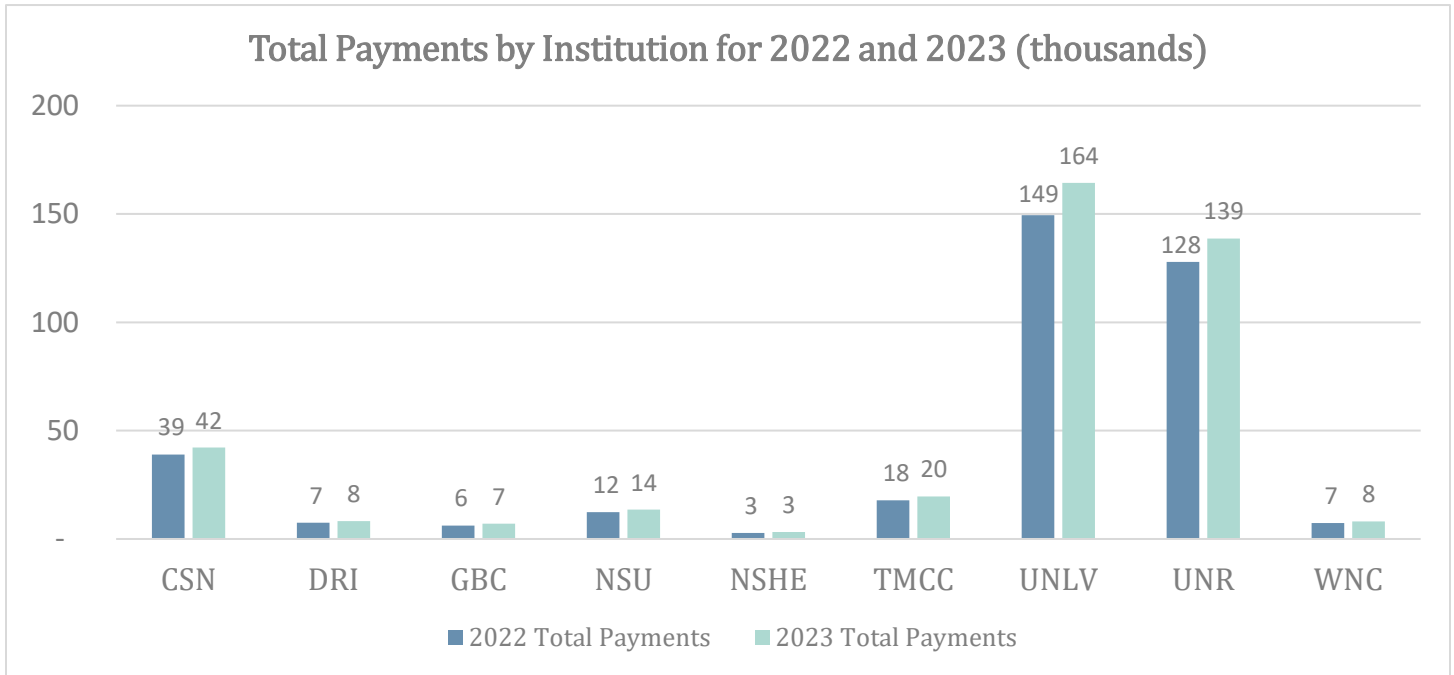
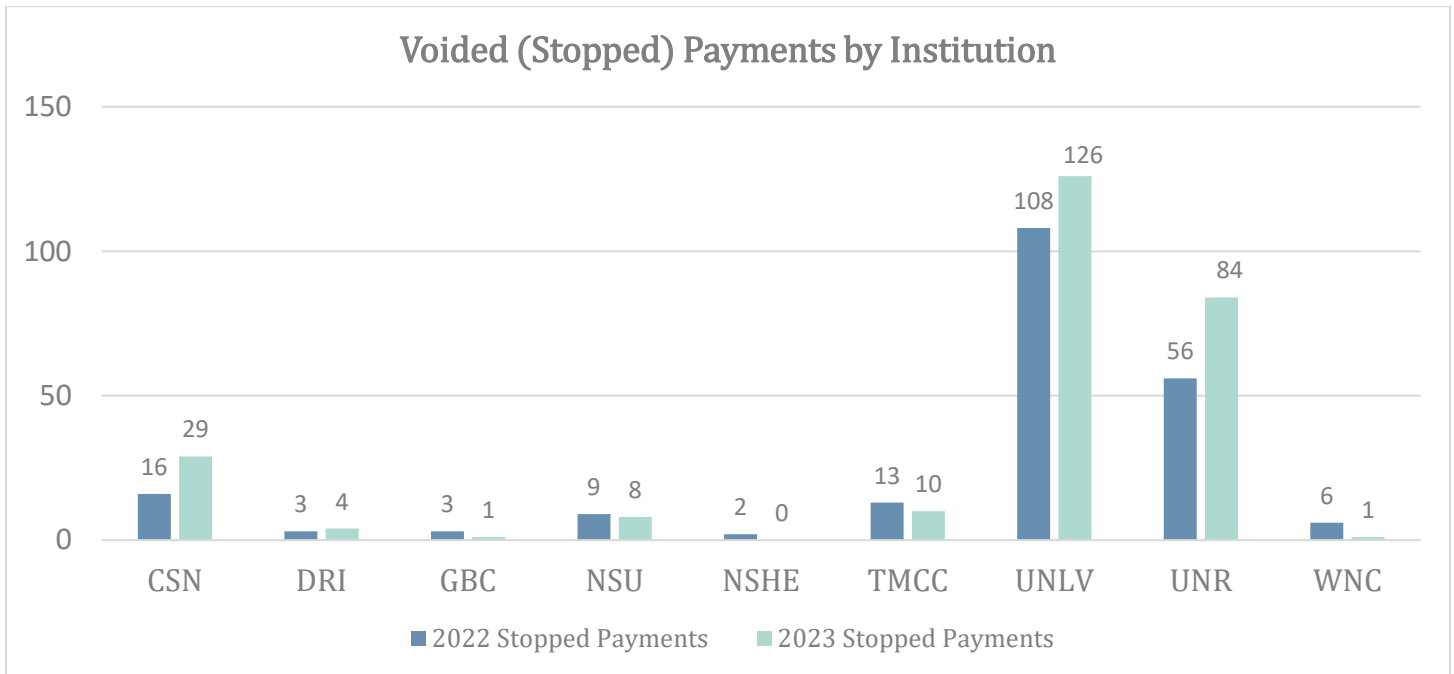


Figure 1.2: Voided (stopped) Payment by Institution for 2022 and 2023

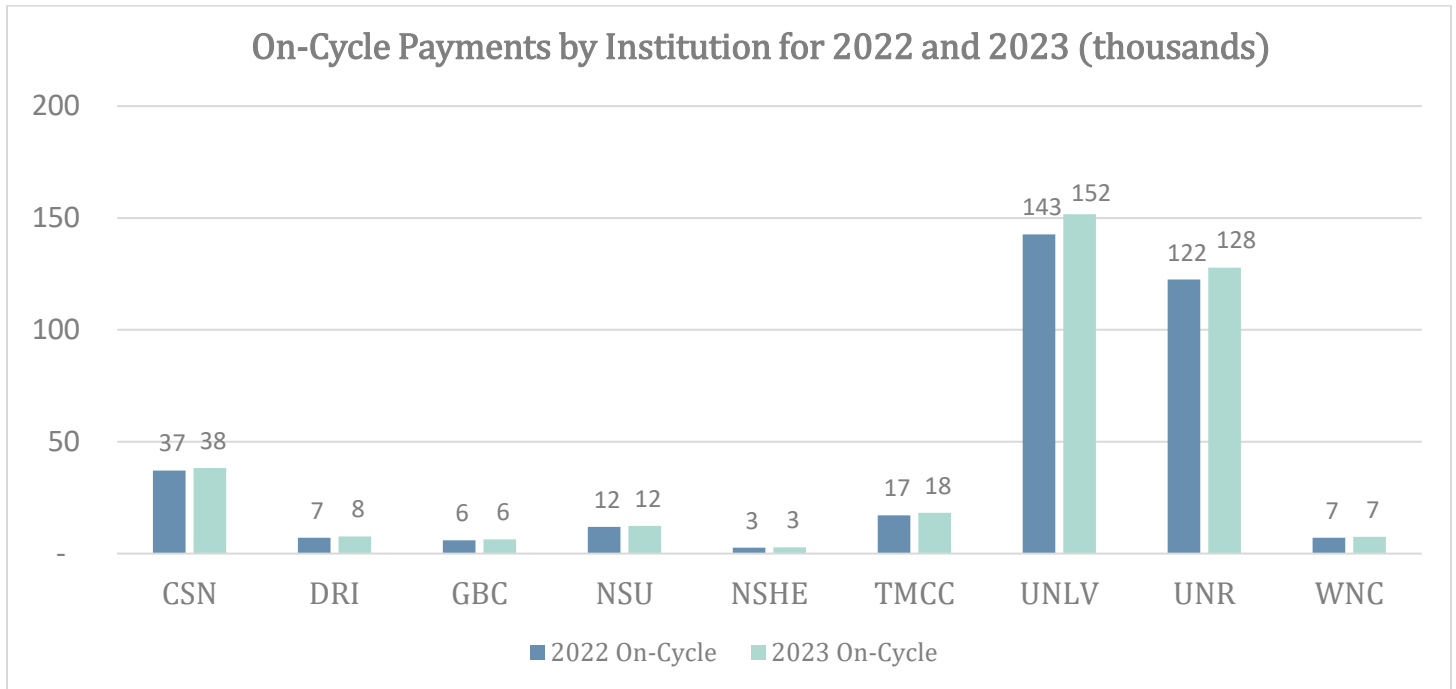


2. On-Cycle and Off-Cycle Payments

On-cycle is defined as payments that were completed as part of a scheduled payroll cycle. In all, 404,838 payments were completed in 2023, compared to 370,402 completed in 2022. In 2023 and 2022, off-cycle payments were 32,285 and

16,373 respectively. The sharp increase in off-cycle payments can be attributed to the introduction of Longevity and Retention payments in 2023. The portion of off-cycle payments to total payments increased from 4.42% to 7.97% from 2022 to 2023.*

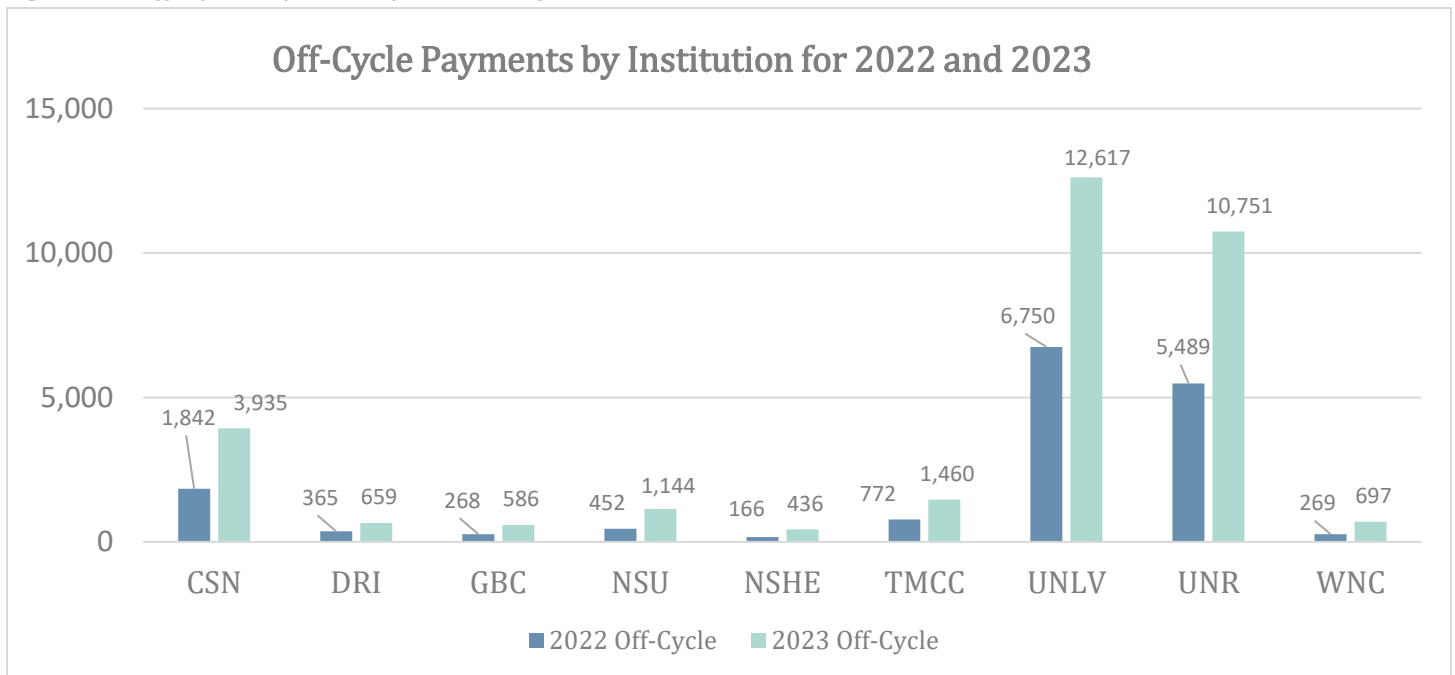
Figure 2.1: On-Cycle Payments by Institution for 2022 and 2023



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 2022 and 2023 to reflect year-end tax adjustments related to producing W-2s.

Figure 2.2: Off-Cycle Payments by Institution for 2022 and 2023



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 saw a notable increase from 2022 to 2023. The portion of on-cycle to off-cycle payments also increased slightly when comparing 2022 and 2023.

Figure 2.3: 2023 Percent of On-Cycle to Off-Cycle Payments

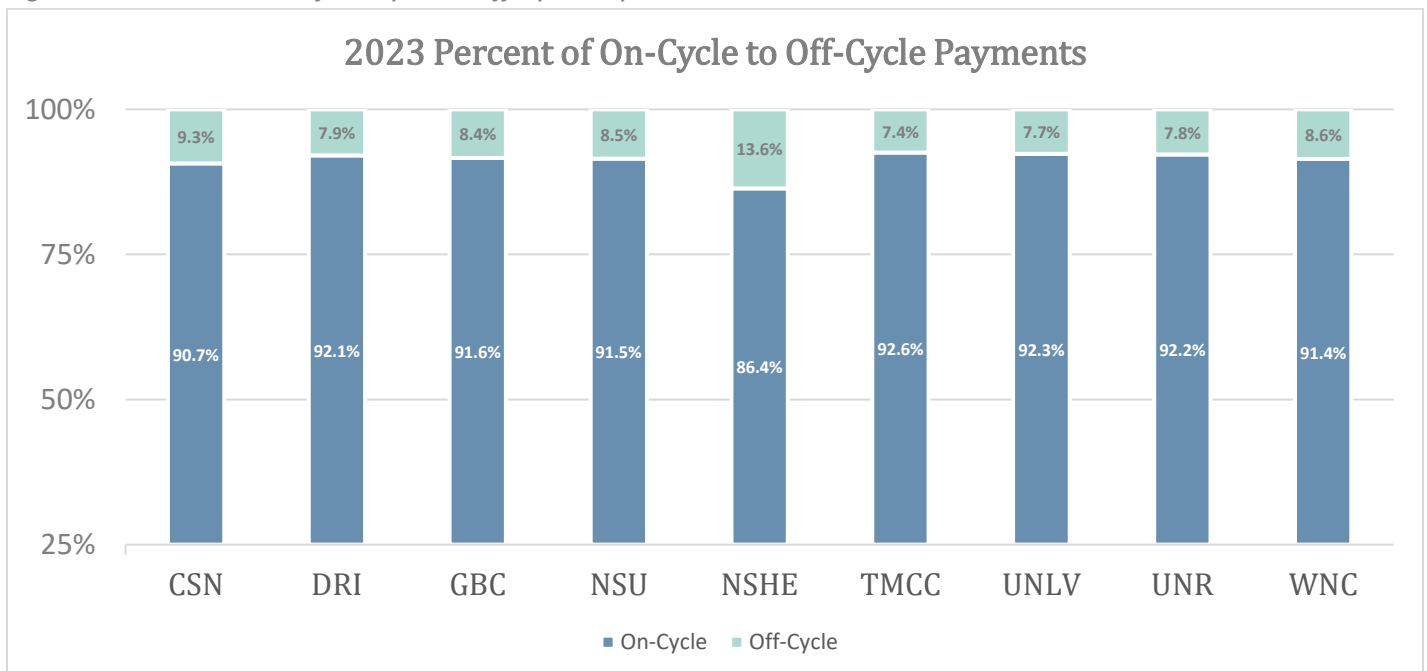
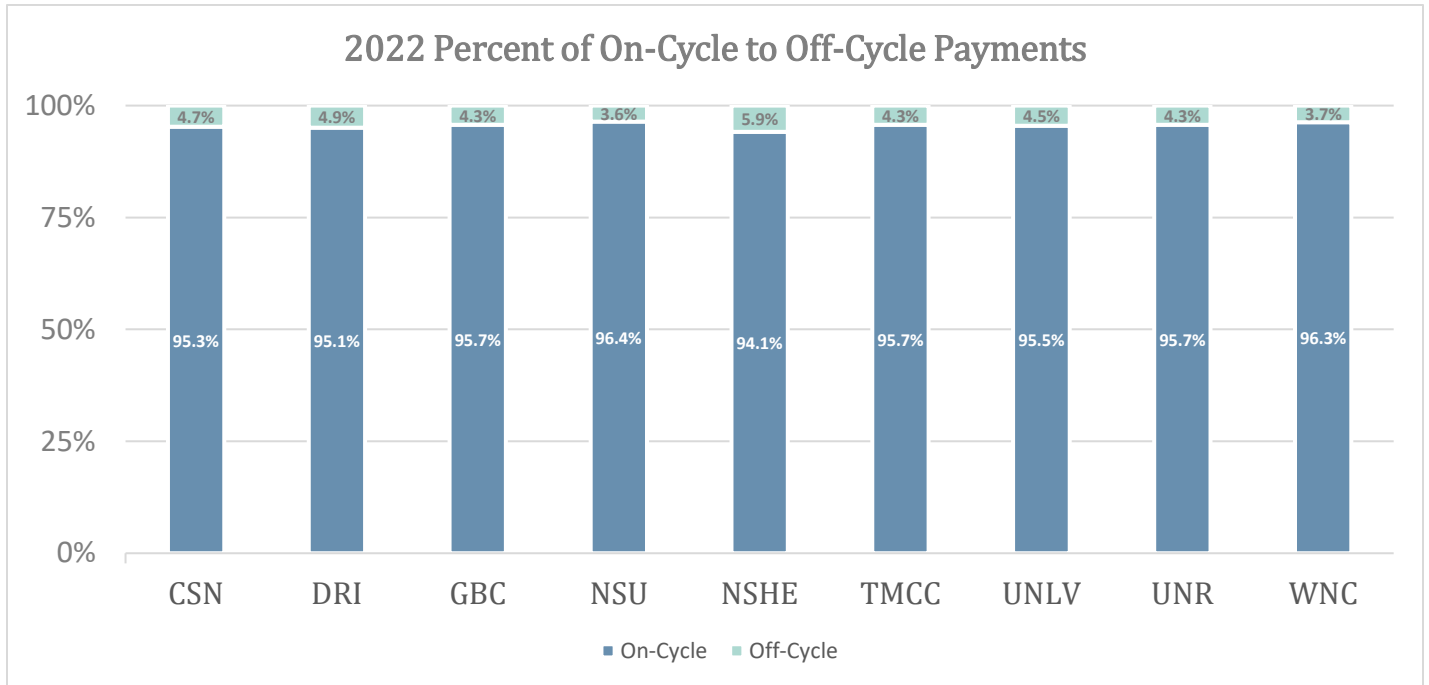


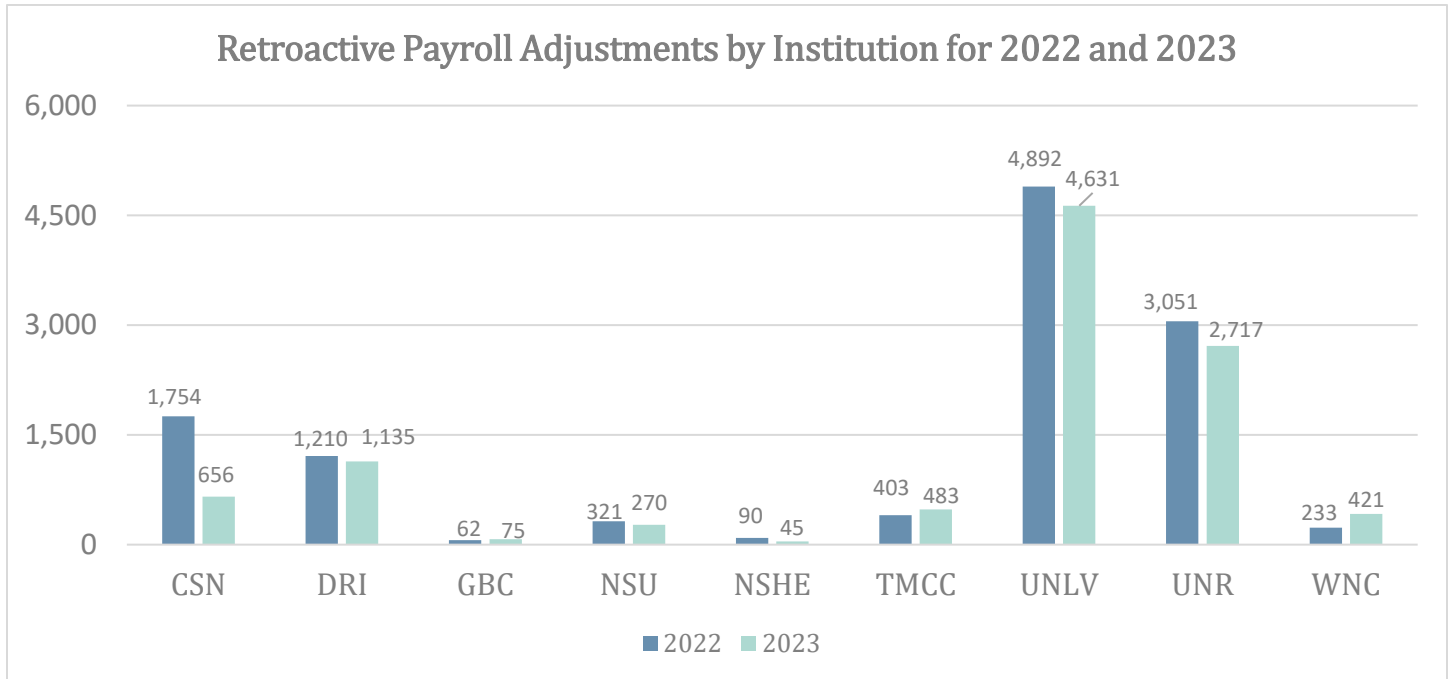
Figure 2.4: 2022 Percent of On-Cycle to Off-Cycle Payments



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 2022 and 2023



Retroactive payroll adjustments decreased overall from 2022 to 2023. The percentage of total payments with retroactive adjustments also decreased slightly between 2022 and 2023 for all campuses from 3.2% to 2.5%.

Figure 3.2: 2023 Percent of Payments with Retroactive Payroll Adjustments

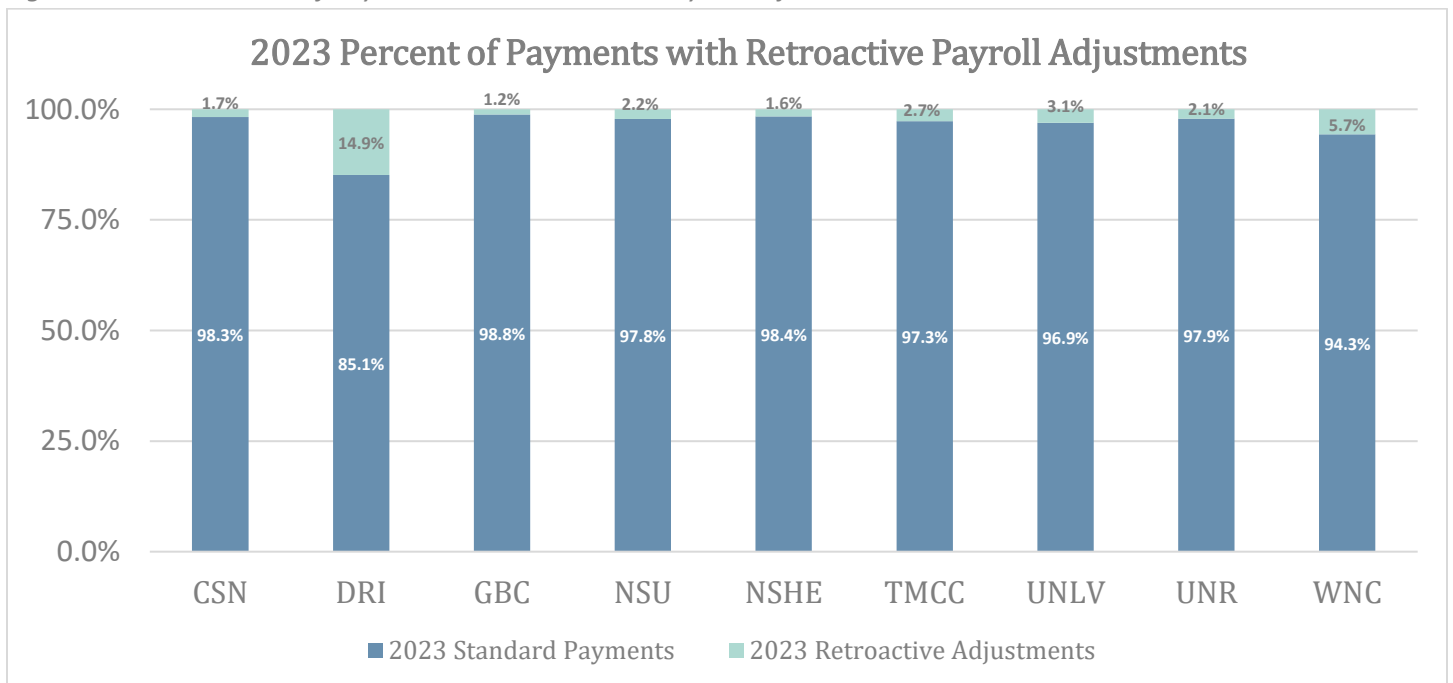


Figure 3.3: 2022 Percent of Payments with Retroactive Payroll Adjustments

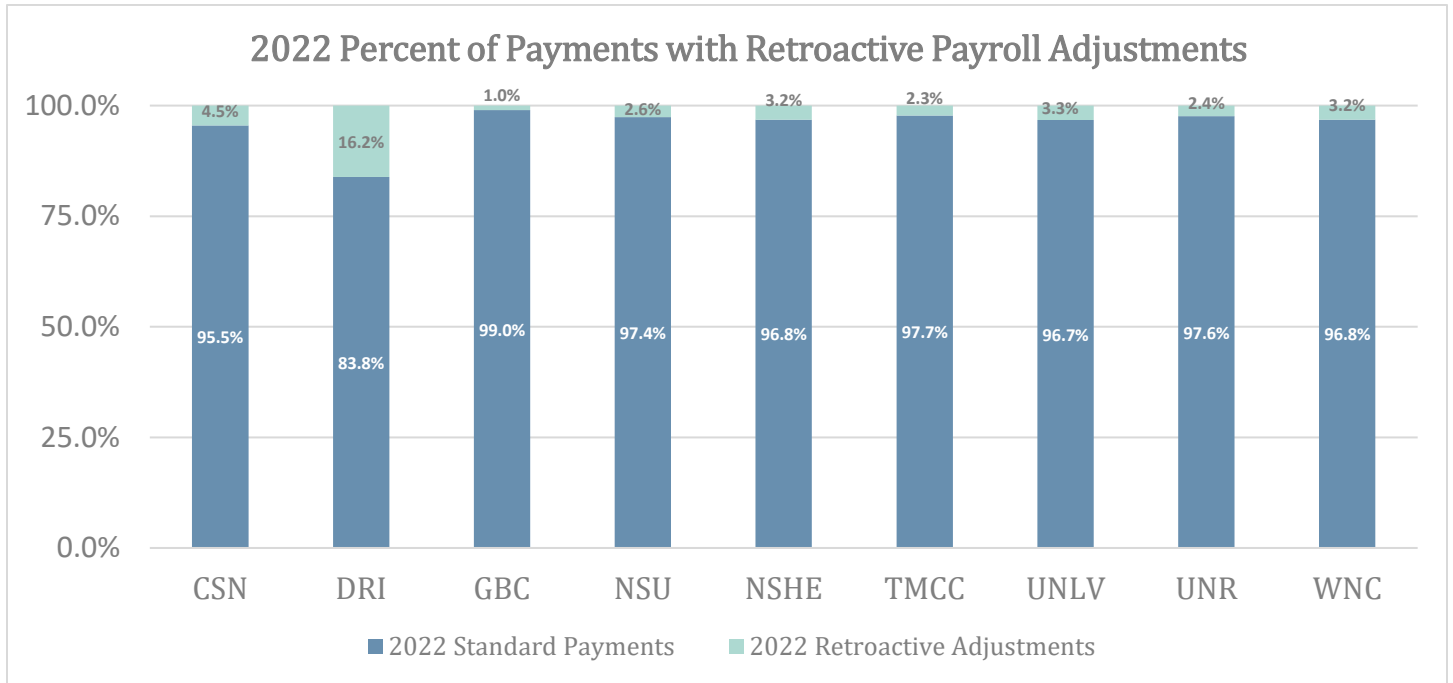
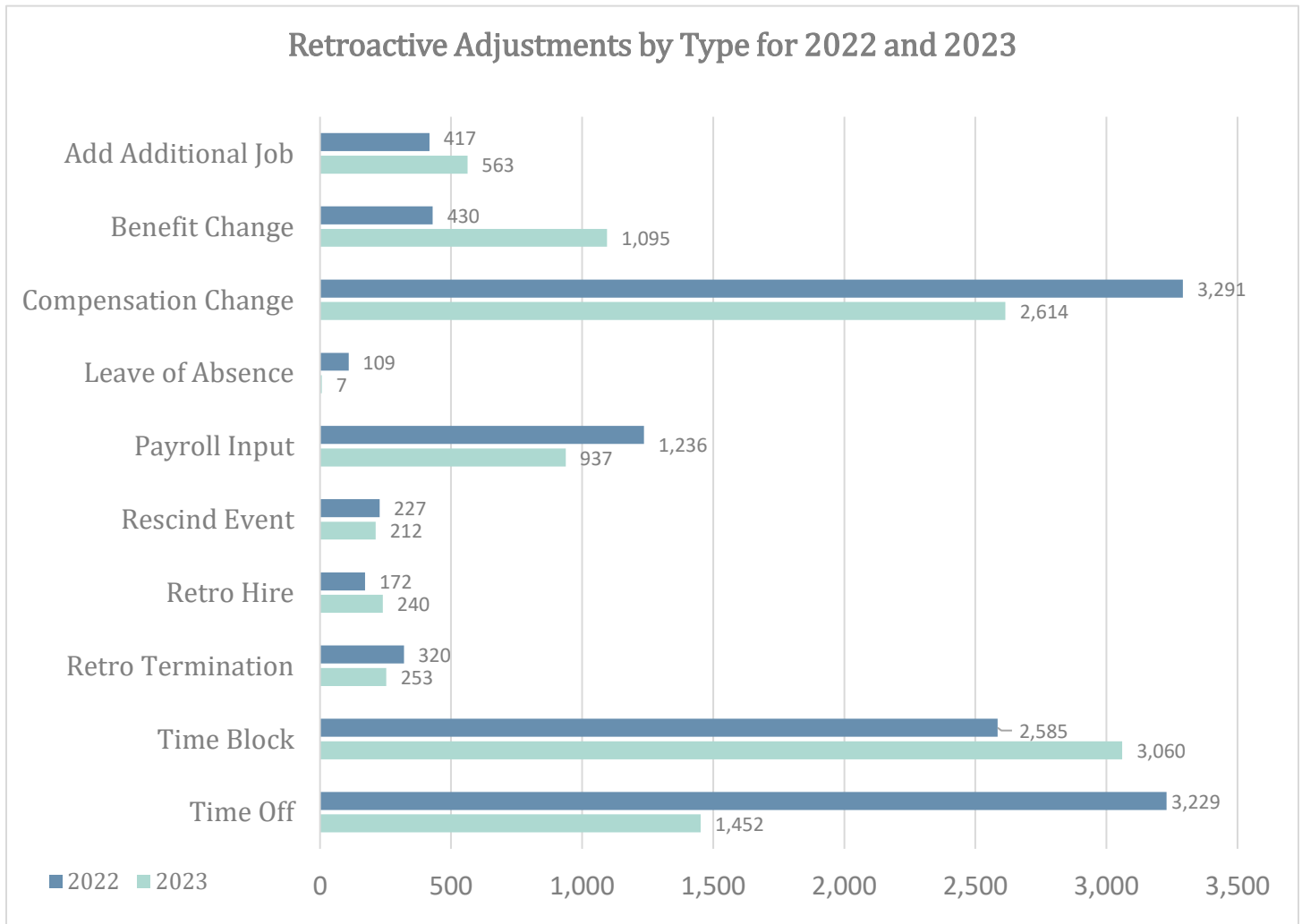


Figure 3.4: Number of Retroactive Adjustments by Type for 2022 and 2023



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.

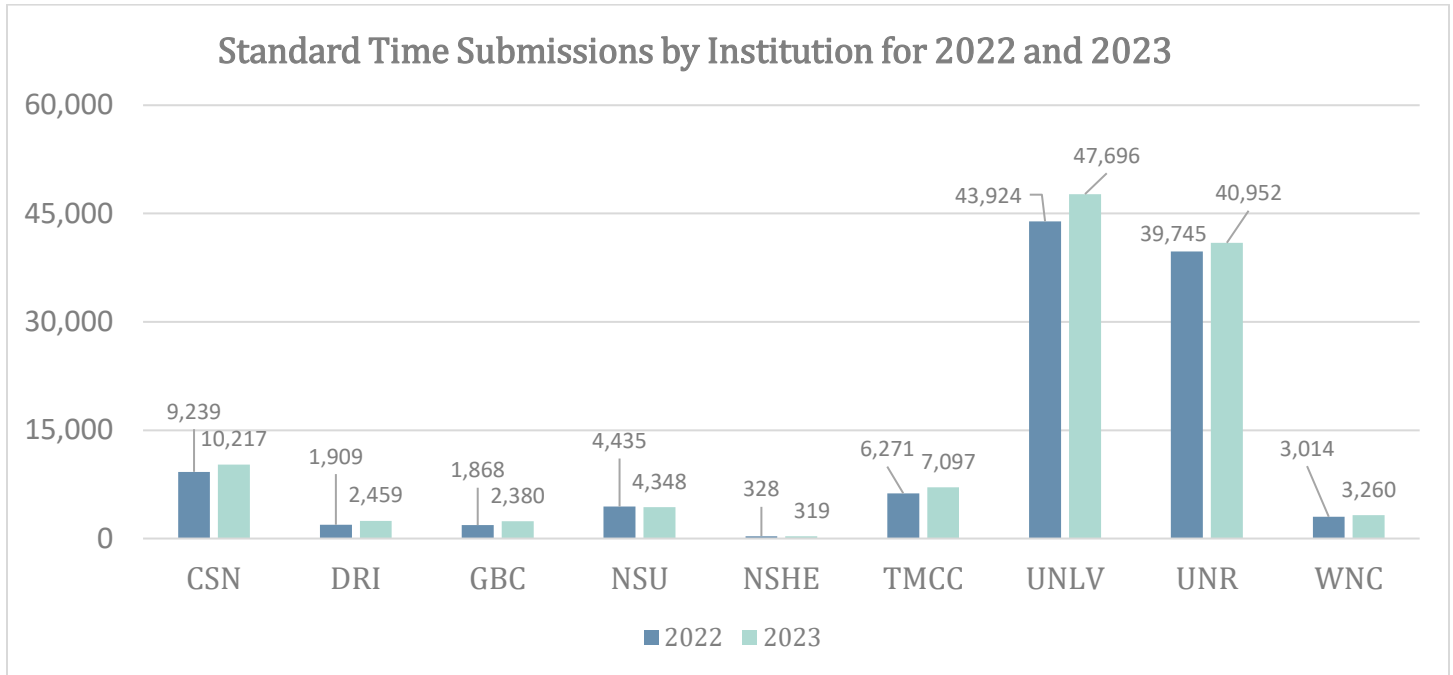
Figure 3.5: 2022 and 2023 Breakdown of Retroactive Payments by Reason and Institution

2022 and 2023 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 2023	46	95	203	0	65	17	3	26	145	56
CSN 2022	41	55	1,136	8	74	48	5	7	136	244
DRI 2023	6	108	24	0	11	0	1	0	91	894
DRI 2022	16	35	25	1	21	11	0	0	111	990
GBC 2023	3	8	13	0	3	0	0	0	46	2
GBC 2022	1	2	4	3	6	1	0	0	31	14
NSU 2023	16	35	127	0	32	2	0	6	37	15
NSU 2022	9	12	96	1	48	8	1	0	39	107
NSHE 2023	3	5	18	0	1	0	1	0	9	8
NSHE 2022	5	6	22	3	7	3	1	0	1	42
TMCC 2023	28	25	200	0	39	3	2	10	164	12
TMCC 2022	17	36	72	21	39	4	0	36	56	276
UNLV 2023	252	491	1,111	6	388	117	212	102	1,663	289
UNLV 2022	200	196	973	57	661	101	146	184	1285	1089
UNR 2023	191	257	756	1	320	70	21	106	821	174
UNR 2022	122	96	828	28	342	53	18	129	805	630
WNC 2023	18	71	162	0	78	3	0	3	84	2
WNC 2022	10	6	74	3	40	1	1	0	65	33

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 110,373 in 2022 to 118,361 in 2023; this is a 7.2% increase from 2022 to 2023.

Figure 4.1: Standard Time Submissions by Institution for 2022 and 2023



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 2022 and 2023 were 10,544 and 11,316, respectively, an increase of 7.3%.

Figure 4.2: En Masse Time Submissions by Institution for 2022 and 2023

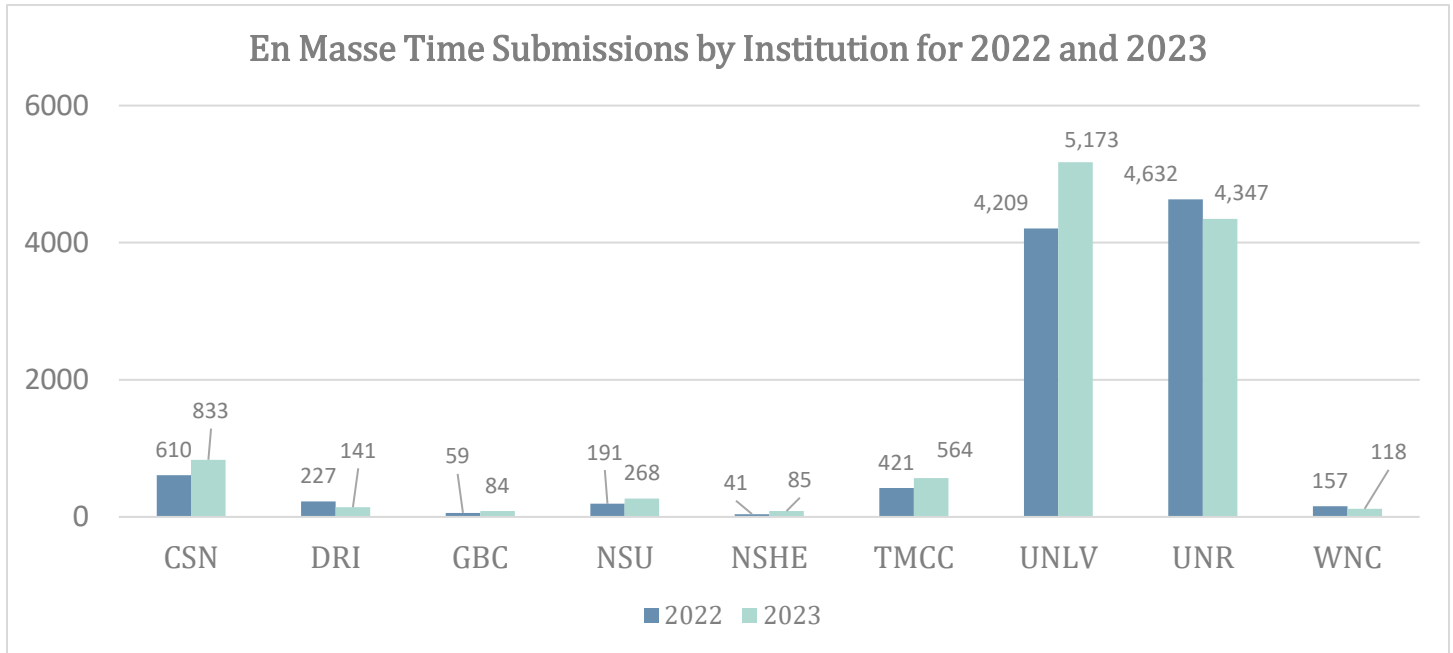


Figure 4.3: 2023 Percent of Standard to En Masse Time Submissions by Institution

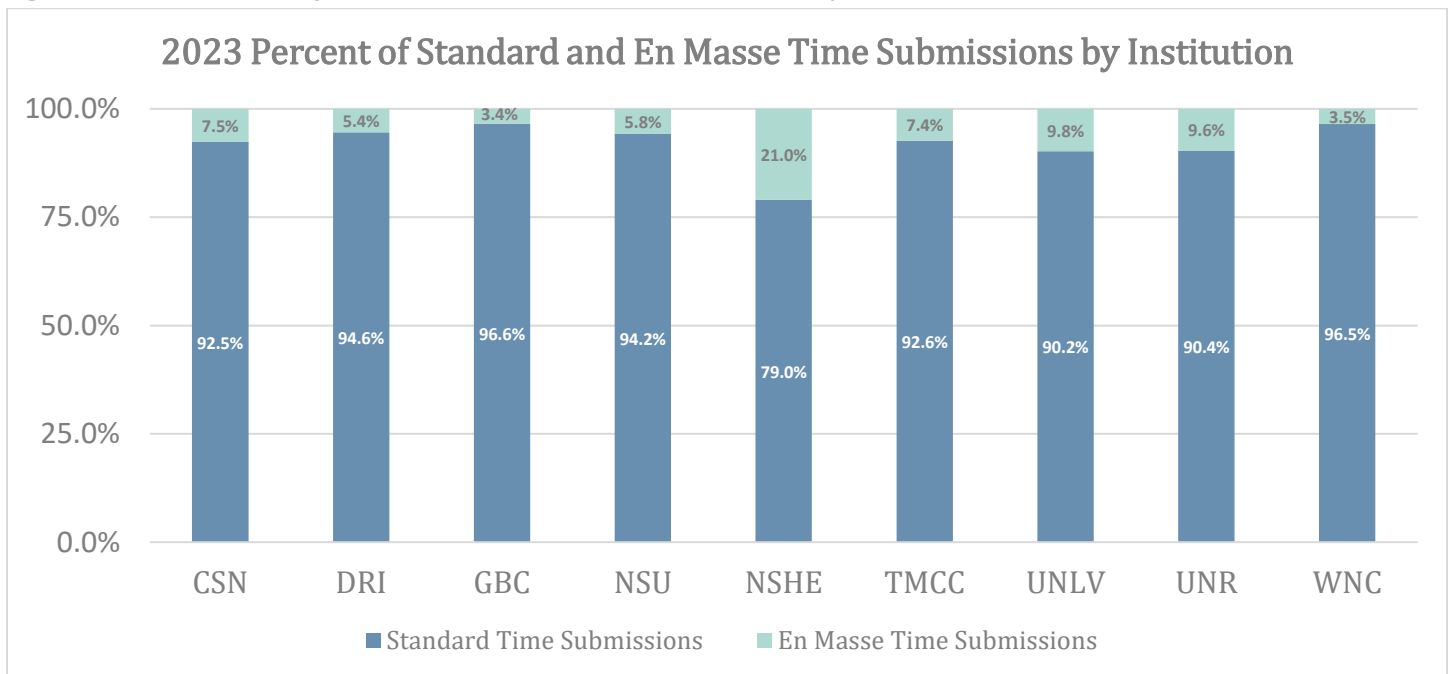
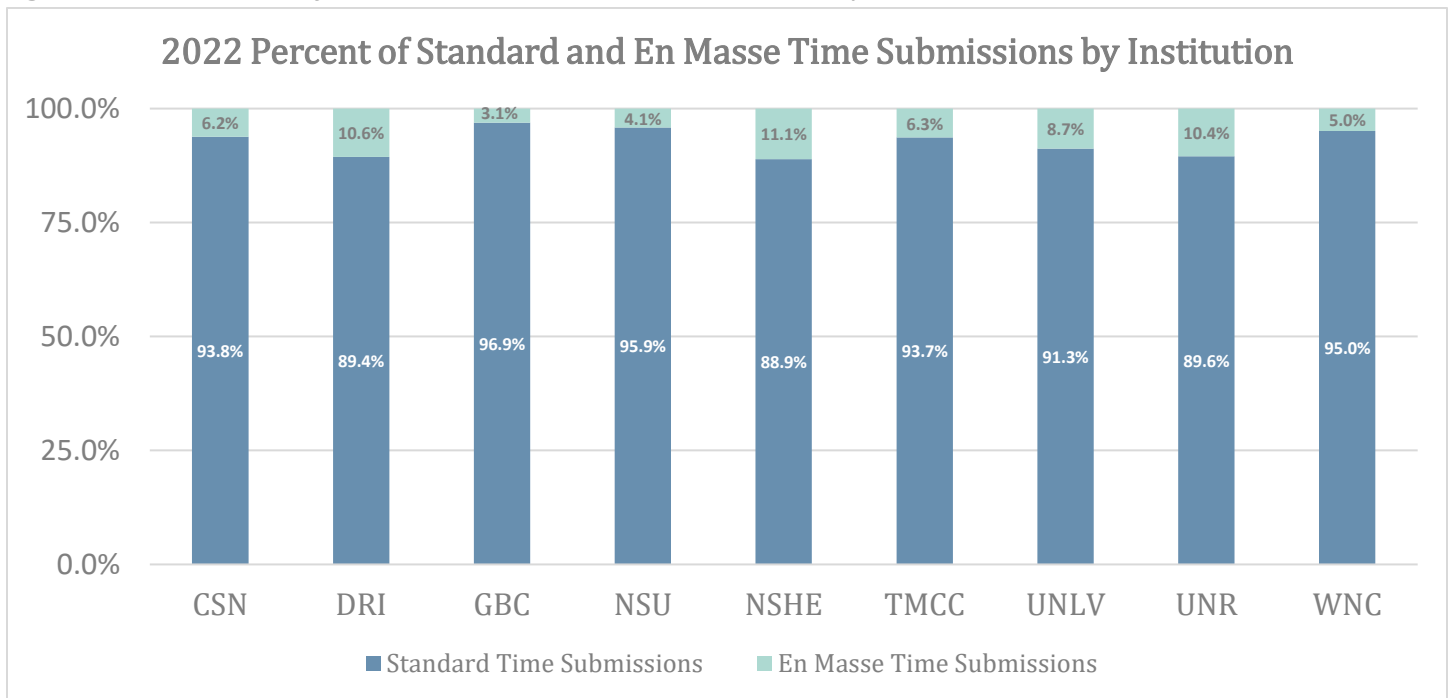


Figure 4.4: 2022 Percent of Standard and En Masse Time Submissions by Institution



5. NSHE Payroll Help Desk Data

Despite the slight increase in overall ticket count, the average days for a ticket to be resolved decreased from 3.9 days to 3.5 days. We continue to exhibit an increased efficiency in help desk ticket resolution.

Figure 5.1: Breakdown of NSHE Payroll Tickets

	2022	2023
Total Help Desk Tickets	2,129	2,281
Average Ticket Resolution	3.9 days	3.5 days

Figure 5.2: Total Tickets by Institution in 2022 and 2023

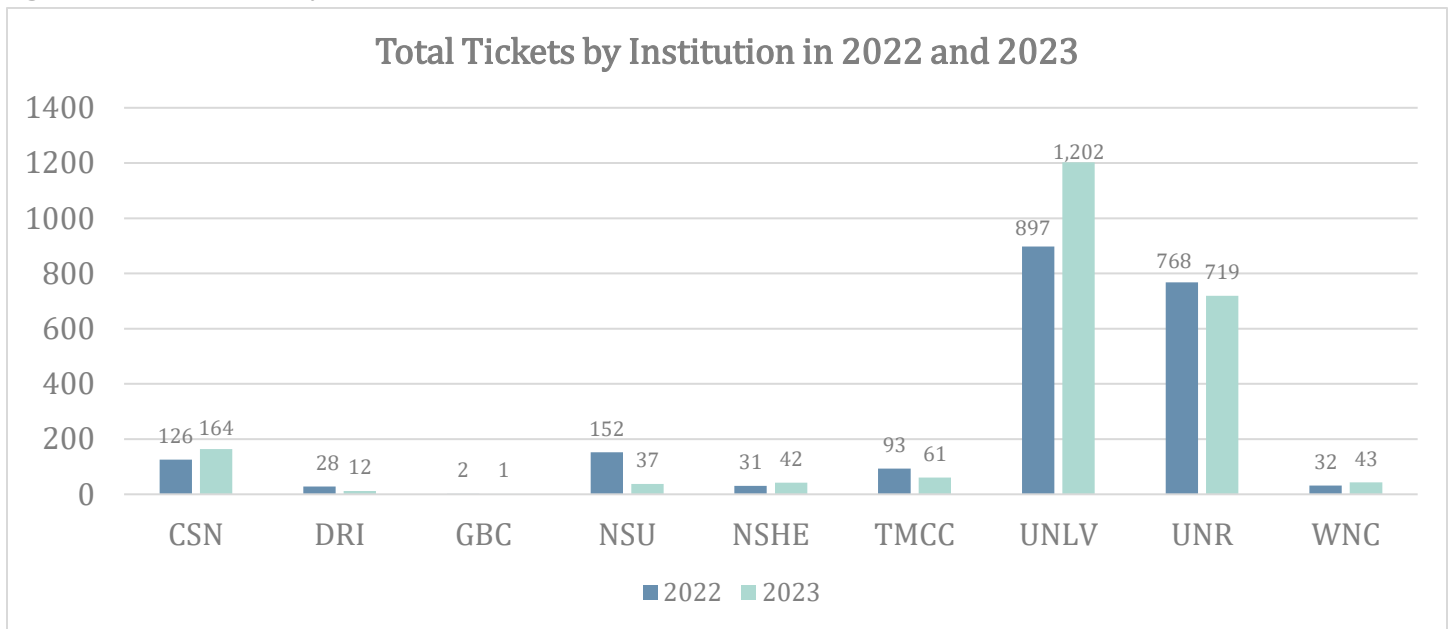


Figure 5.3: Total Monthly Tickets by institution in 2023

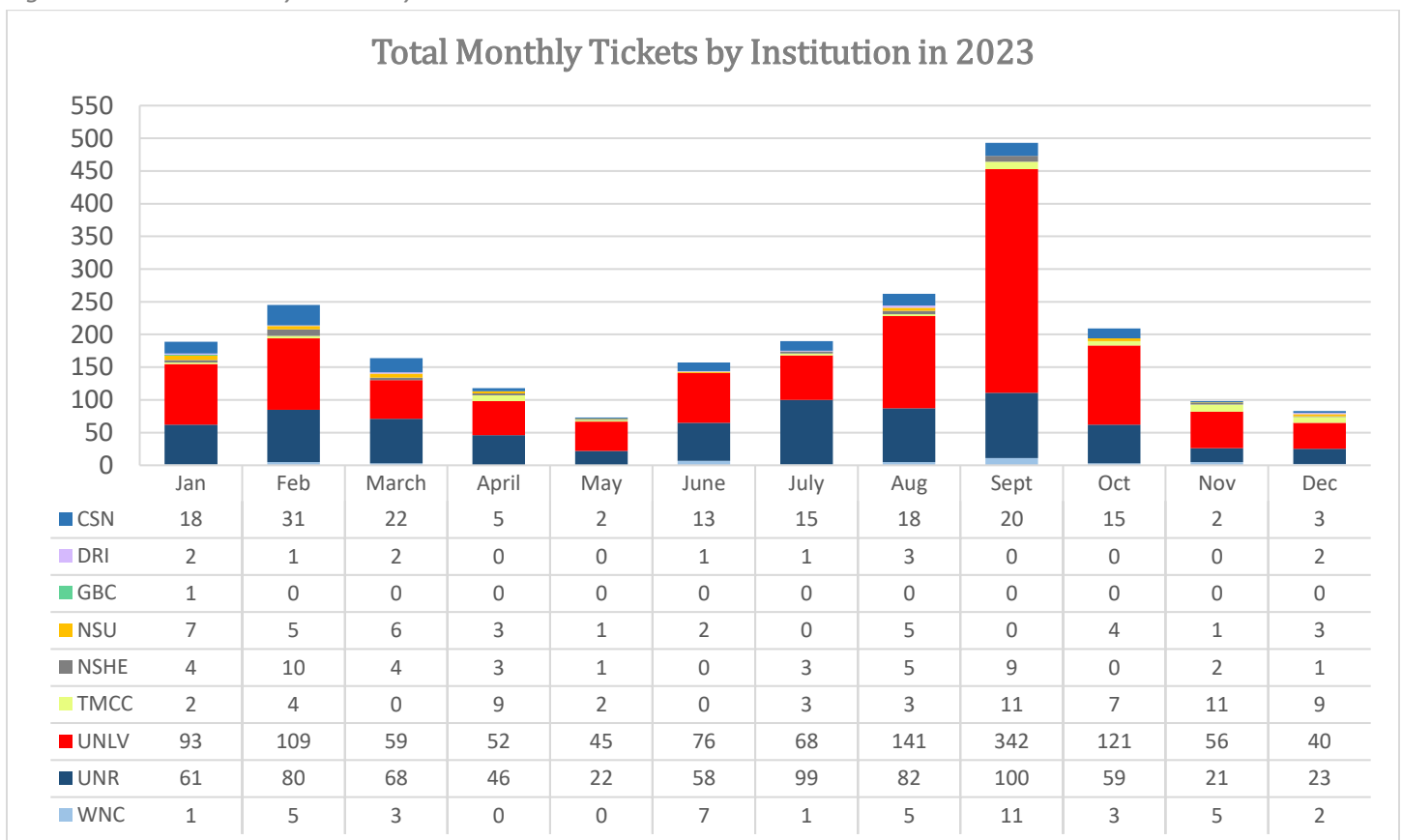


Figure 5.4: Total Monthly Tickets by Institution in 2022

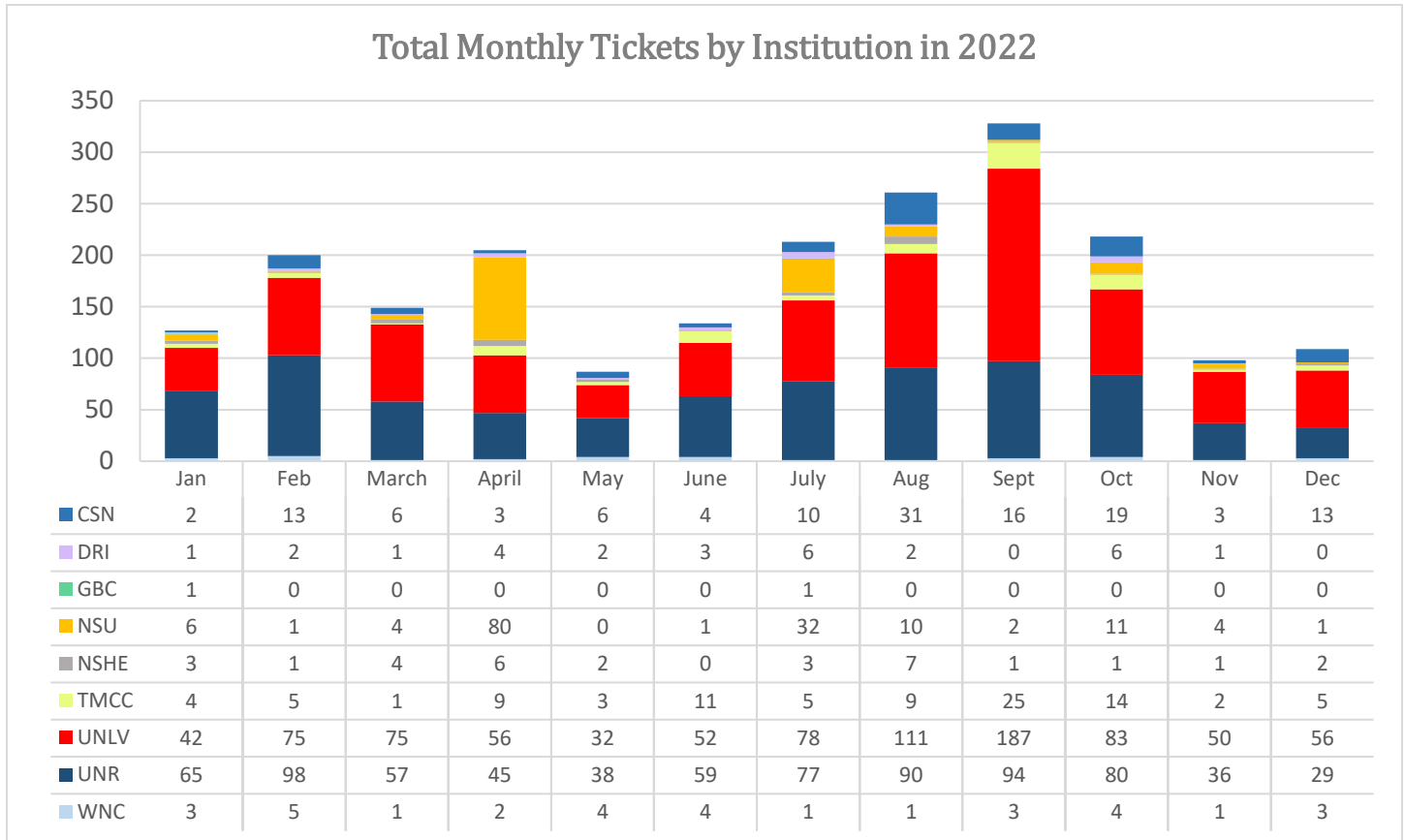


Figure 5.5: Total Monthly Tickets in 2022 and 2023

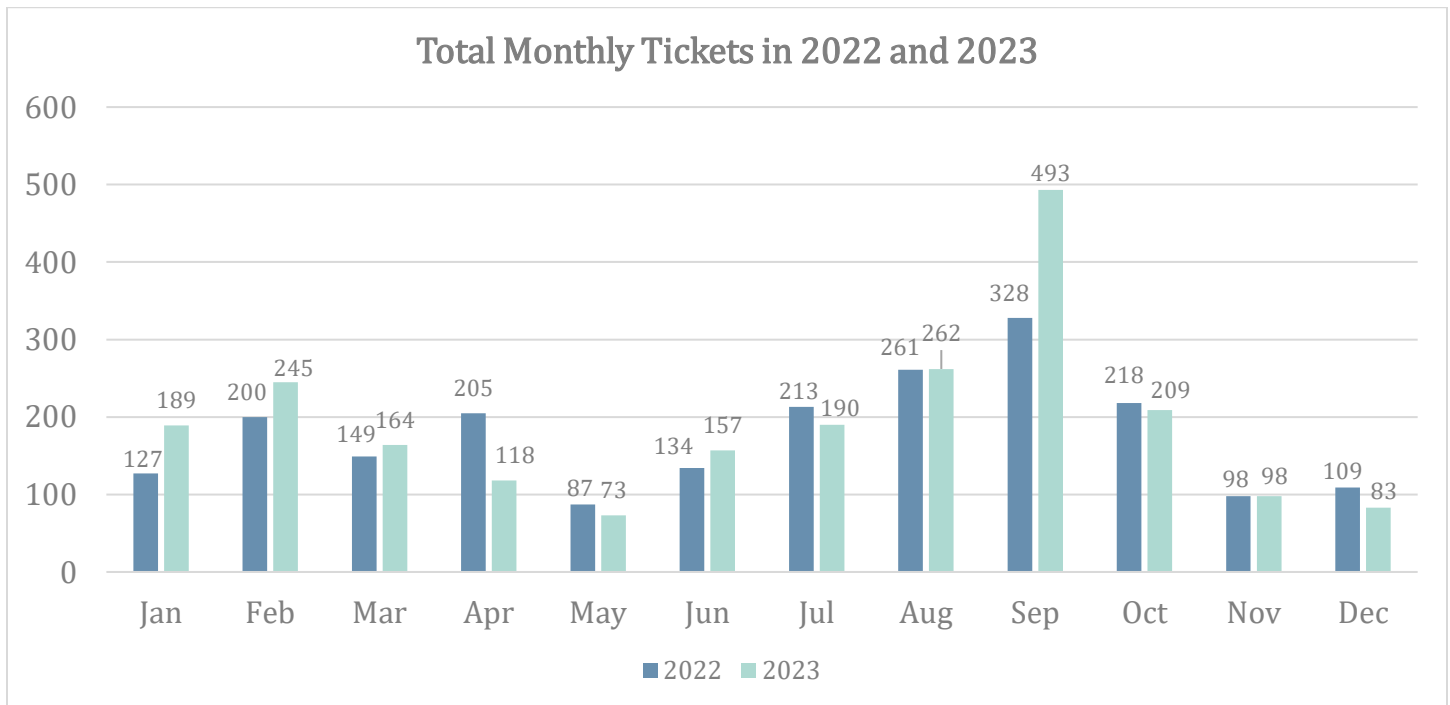
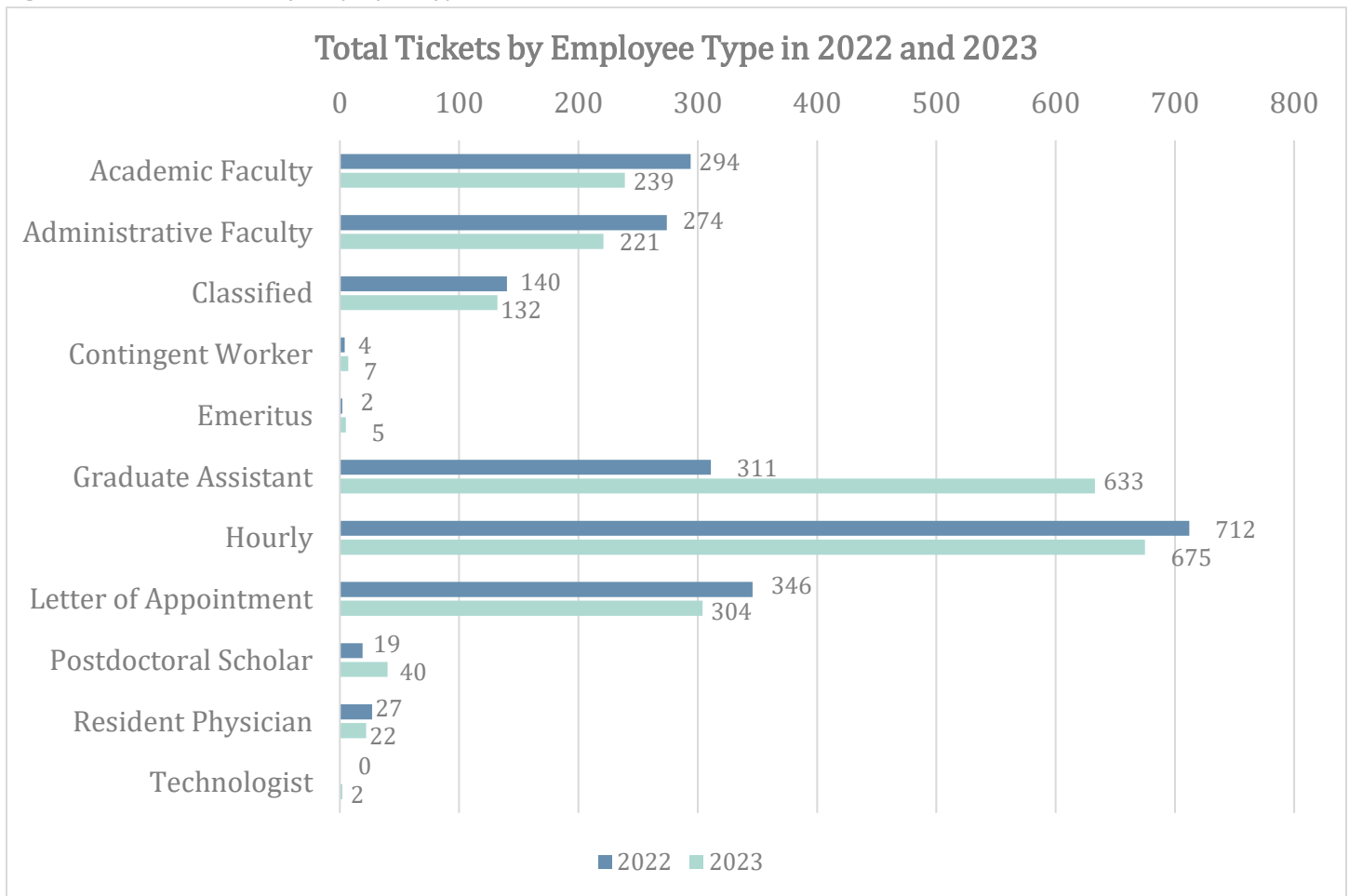


Figure 5.6: Total Tickets by Employee Type in 2022 and 2023



6. Cost of Payroll

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

	Amount
Total Payroll Expense	\$1,128,249,901.21
Total Payroll Budget	\$1,192,521.00
Percent of Total Payroll Expenses	.11%
Number of Payments	404,838
Average Payroll Cost Per Payment	\$2.95

Figure 6.2: Breakdown of NSHE Payroll Budget Fiscal Year 2024

	FTE	Amount
Payroll Processing	7.70	\$459,129.00
Payroll Customer Service	6.70	\$479,712.00
Payroll Banking	0.25	\$45,040.00
Payroll Accounting	<u>1.35</u>	<u>\$208,640.00</u>
Total	<u>16.00</u>	<u>\$1,192,521.00[†]</u>

[†] The decrease in expense in current year is primarily due to one-time credits of approximately \$190,000 and combining payroll center managers under the North