Human Resources/Payroll Position Transfer Report
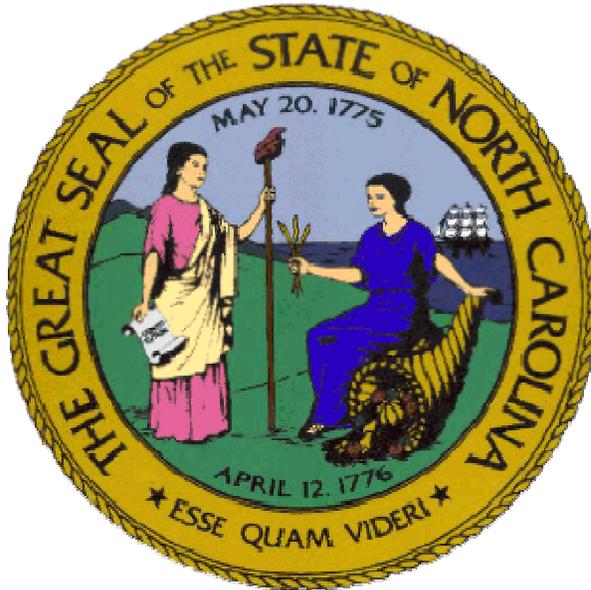
As directed by Senate Bill 202, Section 6.17(b)

November 2009

Prepared By:

Office of State Budget and Management

INTRODUCTION

Scope of Study

Section 6.17(b) of Senate Bill 202 directs the Office of State Budget and Management (OSBM), in coordination with the Office of State Controller (OSC), to submit a written report on the transfer of positions associated with the implementation of the BEACON HR/Payroll project. The report shall include the following:

> (1) The numbers and types of positions transferred to the Office of the State Controller from other State agencies, an explanation as to why each position was moved to the Office of the State Controller, the cost associated with each position, and how that cost is allocated.

> (2) The number and types of positions remaining with each State agency, an explanation as to why the positions were retained by the agency, and the total cost for each position.

> (3) The number and location of positions eliminated as a result of the implementation of the BEACON HR/Payroll system and the associated cost savings.

> (4) Any new positions created within the Office of the State Controller to support BEACON HR/Payroll, the reason each position was created, and the associated cost.

BACKGROUND

In 2001, the General Assembly authorized a State Business Infrastructure Study and directed the Office of State Controller (OSC) to determine the feasibility of developing and implementing a new business infrastructure (human resources/payroll, budgeting, accounting, revenue collection, cash management, investments, and other business functions) for the State. The study commenced in February 2003 under the direction of OSC with assistance from the Office of State Budget and Management, the Office of Information Technology Services, the Office of State Personnel, and the Department of Transportation.

Completed on October 31, 2003, the study concluded that continued use of the current business systems may adversely impact the fiscal integrity of State government as well as the efficiency and effectiveness of its operations. This conclusion was based in part upon findings that the legacy systems supporting the State's core business functions were over twenty years old with limited functionality. These systems rely on dated technology, do not communicate well with each other, are difficult to change for new operational requirements, and are hard to operate and maintain. Moreover, they are at risk of failure due to age, withdrawal of vendor support and the loss of experienced personnel that are reaching retirement age.

The General Assembly subsequently approved the recommendation to move forward with an Enterprise Resource Planning solution to develop one integrated system. The adopted strategy included an extended or phased implementation approach with the first focus on replacing those systems with the greatest risk of failure, the Human Resources (HR) and Payroll Systems. The BEACON HR/payroll system replaces the Personnel Management Information System (PMIS), Central Payroll and Department of Transportation (DOT) payroll. The BEACON Human Resources (HR)/payroll system is the HR/payroll system for approximately 90,000 State employees. .[1]

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[1] Adopted from the Fiscal Brief prepared by the Fiscal Research Division, dated September 17, 2008.

FINDINGS

The findings below will be presented in the order in which the questions are outlined above.

1. ***The numbers and types of positions transferred to the Office of the State Controller from other State agencies, an explanation as to why each position was moved to the Office of the State Controller, the cost associated with each position, and how that cost is allocated.***

A total of 62 FTE positions were transferred to the Office of the State Controller from other agencies and 13 FTE were transferred in house to the BEACON HR/Payroll project for a total of 75 FTE positions. The 75 FTE are split up into two different groups; IT System Support (11.0 FTE) and Best Services Support Team (64.0 FTE). The chart on the next page lists the 75 FTE in these two categories. These positions were transferred to the Office of the State Controller because the SAP Enterprise Resource Planning (ERP) HR/Payroll system was a statewide consolidated system intended to provide a mechanism to furnish consistent support and standardized HR and payroll policy guidance along with support and implementation for positions providing core HR, payroll, and benefits functions. These positions were consolidated from agencies into one central location. Since OSC was designated as the owner of the state's new ERP HR/Payroll system, the positions were established within OSC. Additionally, positions previously providing functional and technical support under the old HR and centralized payroll systems were transferred from the Office of State Personnel (OSP) and other areas of OSC. All positions were consolidated within OSC with the intent of enabling the state to consistently apply state personnel HR and payroll policies utilizing a state of the art industry recognized ERP tool, but more importantly provide a centralized, consistent, single point of contact for HR and Payroll related issues for all State agencies.

Best Services Support Team (Shared Services Call Center)				
Source of Position	**Position Title**	**Funding Source**	**June 2009 Budgeted Amount**	**June 2009 Total FTE Positions**
AOC	Beacon Payroll And Time Specialist	Appropriated	$ 45,704	1.00
AOC	Administrative Officer I	Appropriated	$ 40,073	1.00
CCPS	Payroll Clerk IV	Appropriated	$ 31,260	1.00
CCPS	Personnel Technician III	Appropriated	$ 38,620	1.00
COMMERCE	Information Processing Technician	Appropriated	$ 29,502	1.00
CORRECTION	Personnel Tech III	Appropriated	$ 55,799	1.00
CORRECTION	Information Processing Technician	Appropriated	$ 29,502	1.00
CORRECTION	Information Processing Technician	Appropriated	$ 37,127	1.00
CORRECTION	Information Processing Technician	Appropriated	$ 39,954	1.00
CORRECTION	Personnel Technician III	Appropriated	$ 37,708	1.00
CORRECTION	Business Systems Support Specialist	Appropriated	$ 40,710	1.00
CORRECTION	Administrative Officer I	Appropriated	$ 35,420	1.00
CORRECTION	Beacon Payroll And Time Specialist	Appropriated	$ 55,622	1.00
CORRECTION	Personnel Technician III	Appropriated	$ 48,224	1.00
CULTURAL RESOURCES	Personnel Technician III	Appropriated	$ 38,275	1.00
DENR	Personnel Technician III	Appropriated	$ 48,315	1.00
DENR	Payroll And Time Specialist	Appropriated	$ 45,704	1.00
DENR	Administrative Assistant II	Appropriated	$ 43,131	1.00
DHHS	Administrative Assistant II	Appropriated	$ 43,783	1.00
DHHS*	Administrative Assistant I	Appropriated	$ 34,842	1.00
DHHS	Information Processing Technician	Appropriated	$ 27,748	0.74
DHHS	Information Processing Technician	Receipts	$ 9,578	0.26
DHHS	Information Processing Technician	Appropriated	$ 29,502	1.00
DHHS	Administrative Assistant II	Appropriated	$ 30,855	0.75
DHHS	Administrative Assistant II	Receipts	$ 10,302	0.25
DHHS	Personnel Tech III	Appropriated	$ 49,868	1.00
DHHS	Personnel Technician III	Appropriated	$ 42,220	1.00
DHHS	Administrative Assistant II	Appropriated	$ 42,678	0.88
DHHS	Administrative Assistant II	Receipts	$ 5,606	0.12
DHHS*	Administrative Officer III	Appropriated	$ 54,246	0.89
DHHS*	Administrative Officer III	Receipts	$ 6,938	0.11
DHHS	Administrative Officer I	Appropriated	$ 1,525	0.04
DHHS	Administrative Officer I	Receipts	$ 34,188	0.96
DHHS	Personnel Technician III	Appropriated	$ 37,812	1.00
DHHS	Personnel Technician III	Appropriated	$ 1,100	0.03
DHHS	Personnel Technician III	Receipts	$ 40,000	0.97
DHHS	Personnel Technician III	Appropriated	$ 31,528	0.77
DHHS	Personnel Technician III	Receipts	$ 9,572	0.23
DHHS	Personnel Technician III	Appropriated	$ 33,503	0.80
DHHS	Personnel Technician III	Receipts	$ 8,202	0.20
DOA*	Administrative Support Specialist	Appropriated	$ 26,444	1.00

* Abolished SL 2009-451; SB 20

Source of Position	Position Title	Funding Source	June 2009 Budgeted Amount	June 2009 Total FTE Positions
DOT	Information Processing Technician	Appropriated	$ 1,035	0.03
DOT	Information Processing Technician	Receipts	$ 31,417	0.97
DOT	Information Processing Technician	Appropriated	$ 1,180	0.04
DOT	Information Processing Technician	Receipts	$ 28,322	0.96
DOT	Administrative Assistant II	Appropriated	$ 16,425	0.40
DOT	Administrative Assistant II	Receipts	$ 24,605	0.60
DOT	Administrative Assistant II	Appropriated	$ 6,412	0.17
DOT	Administrative Assistant II	Receipts	$ 31,504	0.83
DOT	Administrative Assistant II	Appropriated	$ 17,890	0.40
DOT	Administrative Assistant II	Receipts	$ 27,172	0.60
DOT	Administrative Officer I	Appropriated	$ 15,166	0.36
DOT	Administrative Officer I	Receipts	$ 27,173	0.64
DOT	Beacon Payroll And Time Specialist	Appropriated	$ 1,154	0.03
DOT	Beacon Payroll And Time Specialist	Receipts	$ 37,310	0.97
DOT	Administrative Officer I	Appropriated	$ 12,094	0.26
DOT	Administrative Officer I	Receipts	$ 35,313	0.74
DOT	Financial Systems Planner	Appropriated	$ 1,862	0.03
DOT	Financial Systems Planner	Receipts	$ 67,713	0.97
DOT	Payroll And Time Specialist	Appropriated	$ 1,541	0.04
DOT	Payroll And Time Specialist	Receipts	$ 35,144	0.96
DPI	Payroll Lead	Appropriated	$ 46,573	1.00
ESC	Administrative Officer III	Appropriated	$ 11,913	0.28
ESC	Administrative Officer III	Receipts	$ 30,632	0.72
ITS	Payroll Manager	Appropriated	$ 1,147	0.03
ITS	Payroll Manager	Receipts	$ 41,720	0.97
JUVENILE JUSTICE	Beacon Payroll And Time Specialist	Appropriated	$ 44,684	1.00
JUSTICE	Administrative Assistant II	Appropriated	$ 38,947	1.00
OSBM	Information Processing Technician	Appropriated	$ 34,771	1.00
OSC	Business Systems Support Manager	Appropriated	$ 88,715	1.00
OSC	Administrative Officer I	Appropriated	$ 42,056	1.00
OSC*	Administrative Support Specialist	Appropriated	$ 38,979	1.00
OSC	Administrative Support Specialist	Appropriated	$ 39,400	1.00
OSC	Accounting Tech	Appropriated	$ 41,005	1.00
OSC	Information Processing Technician	Appropriated	$ 33,927	1.00
OSP	Human Resources Associate	Appropriated	$ 39,568	1.00
OSP	Information Processing Technician	Appropriated	$ 29,502	1.00
OSP	Information Processing Technician	Appropriated	$ 67,744	1.00
OSP	Business And Technology Applic Analyst	Appropriated	$ 67,604	1.00
OSP	Hr Associate	Appropriated	$ 49,883	1.00
OSP	Hr Associate	Appropriated	$ 43,813	1.00
OSP	Administrative Officer I	Appropriated	$ 42,339	1.00
OSP	Payroll And Time Specialist	Appropriated	$ 45,748	1.00
REVENUE	Personnel Technician III	Appropriated	$ 48,855	1.00
Subtotal			**$ 2,742,647**	**64.00**

IT - System Support

Source of Position	Position Title	Funding Source	June 2009 Budgeted Amount	June 2009 Total FTE Positions
OSP	Information Technology Manager	Appropriated	$ 94,298	1.00
OSP	Business And Technology Applic Anal	Appropriated	$ 79,959	1.00
OSC	Trainer Specialist	Appropriated	$ 55,880	1.00
OSC	Training Coordinator	Appropriated	$ 53,023	1.00
OSC	Business System Analyst	Appropriated	$ 68,223	1.00
OSC	Applications Analyst Prog	Appropriated	$ 74,418	1.00
OSC	Business And Technology Applic Analyst	Appropriated	$ 69,388	1.00
OSC	Central Payroll Manager	Appropriated	$ 97,279	1.00
OSC	Business And Technology Applic Specl	Appropriated	$ 54,807	1.00
CORRECTIONS	Payroll Clerk V	Appropriated	$ 32,561	1.00
AGRICULTURE	Payroll Clerk IV	Appropriated	$ 34,016	1.00
Subtotal			**$ 713,852**	**11.00**
Total			**$ 3,456,499**	**75.00**

* Abolished SL 2009-451; SB 20

2. *The number and types of positions remaining with each State agency, an explanation as to why the positions were retained by the agency, and the total cost for each position.*

The chart below depicts the total number of Human Resource and Payroll positions remaining in each state agency after the implementation of BEACON. There are a total of 366.8 Human Resource FTE and 50.8 Payroll FTE remaining in the state agencies. The main reason cited by agencies as to why these positions remain in the agency is to provide program support, posting of positions, handle HR activities not captured by BEACON, agency training and safety coordination. The total budgeted salary for all Human Resource and Payroll FTE remaining in the agencies is approximately $21.4M. This equates to an average salary for Human Resources and Payroll positions of approximately $52,500 and $42,900, respectively.

Agency	2009 Human Resource FTE	HR 2009 Budgeted Salary	2009 Payroll FTE	PR 2009 Budgeted Salary	Total 2009 HR/PR FTE	Total 2009 Budgeted Salary
Agriculture	12.0	$ 656,251	2.0	$ 83,809	14.0	$ 740,060
AOC	26.0	$ 1,384,064	3.0	$ 178,336	29.0	$ 1,562,400
Auditor	3.0	$ 174,844	1.0	$ 8,280	4.0	$ 183,124
Board of Elections	0.1	$ 3,292	-	$ -	0.1	$ 3,292
CCPS	15.0	$ 754,136	3.0	$ 107,267	18.0	$ 861,403
Commerce	6.0	$ 325,379	-	$ -	6.0	$ 325,379
Community Colleges	4.4	$ 236,094	0.6	$ 27,108	5.0	$ 263,202
Correction	69.0	$ 3,072,501	7.0	$ 272,638	76.0	$ 3,345,139
Cultural Resources	8.0	$ 406,615	-	$ -	8.0	$ 406,615
DENR	15.0	$ 839,180	3.0	$ 133,459	18.0	$ 972,639
DHHS	30.0	$ 1,817,724	6.0	$ 235,316	36.0	$ 2,053,040
DOA	11.0	$ 537,294	2.2	$ 85,314	13.2	$ 622,608
DOT	54.0	$ 2,811,236	6.0	$ 302,044	60.0	$ 3,113,280
ESC	20.0	$ 1,075,860	5.0	$ 207,548	25.0	$ 1,283,408
Housing Finance	1.5	$ 101,466	-	$ -	1.5	$ 101,466
Insurance	4.0	$ 214,204	1.0	$ 48,820	5.0	$ 263,024
ITS	9.0	$ 493,428	-	$ -	9.0	$ 493,428
Justice	12.0	$ 698,566	2.0	$ 83,886	14.0	$ 782,452
Juvenile Justice	15.0	$ 825,195	1.0	$ 38,464	16.0	$ 863,659
Labor	7.0	$ 353,879	1.0	$ 40,418	8.0	$ 394,297
NCEL	5.0	$ 295,309	2.0	$ 130,600	7.0	$ 425,909
OSBM	2.3	$ 118,297	-	$ -	2.3	$ 118,297
OSC	0.5	$ 85,931	-	$ -	0.5	$ 85,931
OSP	3.0	$ 221,418	-	$ -	3.0	$ 221,418
Public Instruction	7.0	$ 386,429	1.0	$ 38,000	8.0	$ 424,429
Revenue	11.0	$ 581,117	2.0	$ 64,611	13.0	$ 645,728
Secretary of State	6.0	$ 293,718	-	$ -	6.0	$ 293,718
Treasurer	5.0	$ 225,466	1.0	$ 44,234	6.0	$ 269,700
WRC	5.0	$ 278,032	1.0	$ 49,290	6.0	$ 327,322
Grand Total	**366.8**	**$ 19,266,924**	**50.8**	**$ 2,179,441**	**417.6**	**$ 21,446,365**

Note: The Offices of the Lt. Governor and Office of Administrative Hearing did not submit requested data.

3. _**The number and location of positions eliminated as a result of the implementation of the BEACON HR/Payroll system and the associated cost savings.**_

There were no positions identified as being eliminated within the agencies as a result of the implementation of the BEACON HR/Payroll system. However, a couple of agencies have indicated that they have provided HR and/or Payroll positions in order to meet reductions in their budgets over the past two years. Therefore, there are no cost savings directly attributed to the implementation of the BEACON HR/Payroll system to report because the savings have already been realized in the reduction of the individual agency budgets.

4. _**Any new positions created within the Office of the State Controller to support BEACON HR/Payroll, the reason each position was created, and the associated cost.**_

Session Law 2006-66 (SB1741) authorized the creation of 50.50 FTE positions ($7.2M recurring and $34.5 Non Recurring) for the Office of the State Controller to replace the State's aging human resources and payroll information systems with a new system, BEACON. This appropriation supported phase one of the projects, including system integration, staff training, software maintenance, and ITS data changes. The chart below shows the position titles, the associated budgeted salaries, source of funding, and FTE. Four of these original positions were used for the start up of the Best Services Support Team (Shared Services Call Center). Six Administrative Associative Support positions have been abolished with Session Law 2009-451; Senate Bill 202.
Additionally, Session Law 2008-107; House Bill 2436, Section 20.1 authorized the creation of eight full time, time limited positions to support the statewide enterprise training program.

Therefore, with the original positions (50.5 FTE), the positions transferred from state agencies (75.0 FTE) and the eight time-limited positions, the Office of the State Controller had a total of 133.5 FTE to support the BEACON HR/Payroll project. However, with the abolishment of positions (10.5 FTE) and one other being transferred to ITS (1.0 FTE) for desktop consolidation, the total FTE in the Office of the State Controller dedicated to BEACON HR/Payroll is 122.0, as of October 2009.

Authorized by Session Law 2006-66, Senate Bill 1741				
Position Title	**Funding Source**	**Fund Percent**	**June 2009 Budgeted Amount**	**June 2009 Total FTE Positions**
Administrative Support Associate*	Appropriated	100	18,432	0.75
Administrative Support Associate*	Appropriated	100	18,432	0.75
Administrative Support Associate*	Appropriated	100	18,432	0.75
Administrative Support Associate*	Appropriated	100	18,432	0.75
Administrative Support Associate*	Appropriated	100	18,432	0.75
Administrative Support Associate*	Appropriated	100	18,432	0.75
Basis Support Analyst	Appropriated	100	62,887	1.00
Basis Support Lead	Appropriated	100	94,037	1.00
Benefits Analyst	Appropriated	100	65,179	1.00
Benefits Team Lead[BEST]	Appropriated	100	82,543	1.00
Bi/technical Support Analyst	Appropriated	100	80,145	1.00
Business And Technical Applic Spec	Appropriated	100	90,981	1.00
Business And Technology Applic Analyst	Appropriated	100	77,474	1.00
Business And Technology Applic Specl	Appropriated	100	53,430	1.00
Business And Technology Applic Specl	Appropriated	100	89,762	1.00
Business And Technology Applic Specl	Appropriated	100	72,041	1.00
Business And Technology Applic Specl	Appropriated	100	76,939	1.00
Business Iintelligence Specialist	Appropriated	100	96,174	1.00
Business Intelligence Lead	Appropriated	100	107,100	1.00
Change Management Team Lead	Appropriated	100	83,351	1.00
Communications Lead	Appropriated	100	84,397	1.00
Core Hr Lead[BEST]	Appropriated	100	87,056	1.00
Data Conversion Developer	Appropriated	100	71,617	1.00
Data Conversion Lead	Appropriated	100	96,880	1.00
Deployment Team Lead	Appropriated	100	102,663	1.00
Deputy State Controller	Appropriated	100	119,135	1.00
Director - Shared Services[BEST]	Appropriated	100	117,330	1.00
Fi/co Analyst	Appropriated	100	76,751	1.00
Fi/co Lead	Appropriated	100	91,317	1.00
Functional Team Lead	Appropriated	100	114,724	1.00
Information Technology Manager	Appropriated	100	82,225	1.00
Interface Developer	Appropriated	100	69,085	1.00
Interface Development Lead	Appropriated	100	107,100	1.00
IT Manager - Business and Technology	Appropriated	100	112,170	1.00
Legacy Application Analyst	Appropriated	100	59,948	1.00
Legacy Application Analyst	Appropriated	100	80,145	1.00
Payroll Analyst	Appropriated	100	58,511	1.00
Payroll Lead	Appropriated	100	92,204	1.00
Personnel Administration Analyst[BEST]	Appropriated	100	64,567	1.00
Pmo Business Analyst	Appropriated	100	88,992	1.00
Pmo Business Systems Analyst	Appropriated	100	75,229	1.00
Pmo Coordinator	Appropriated	100	50,831	1.00
Pmo Secretary	Appropriated	100	39,132	1.00
Portal Analyst	Appropriated	100	73,733	1.00
Reporting Developent Lead	Appropriated	100	100,515	1.00
Sap Portal Lead	Appropriated	100	99,634	1.00
Security Analyst	Appropriated	100	77,063	1.00
Technolog Support Spec.**	Appropriated	100	54,979	1.00
Technolog Support Technician	Appropriated	100	47,267	1.00
Time Management Analyst	Appropriated	100	60,160	1.00
Time Management Lead	Appropriated	100	88,140	1.00
Training Team Lead	Appropriated	100	61,468	1.00
Total Positions			$ 3,847,603	50.50

*BEACON Intern -Abolished SL 2009-451; SB 202
**Transferred to ITS for Desktop Consolidation
BEST - Beacon Enterprises Support Team (Shared Services Call Center)

Authorized by Session Law 2008-107; House Bill 2436, Section 20.1				
Position Title	**Funding Source**	**Fund Percent**	**June 2009 Budgeted Amount**	**June 2009 Total FTE Positions**
Staff Development Coordinator	Receipts	100	57,666	1.00
Administrative Support Specialist - Time Limited[*]	Appropriated	100	49,161	1.00
Staff Development Specialist II - Time Limited	Receipts	100	48,500	1.00
Staff Development Specialist II -Time Limited[*]	Receipts	100	57,666	1.00
Staff Development Specialist II - Time Limited	Receipts	100	48,500	1.00
Staff Development Specialist II - Time Limited	Receipts	100	48,500	1.00
Technical Support Technician - Time Limited	Receipts	100	52,294	1.00
Bus. and Tech. Applications Analyst - Time Lim.	Receipts	100	57,666	1.00
Total			$ **419,953**	**8.00**

[*]Abolished SL 2009-451; SB 202

This concludes OSBM's findings as directed by Section 6.17(b) of Senate Bill 202.