

# A3 Problem Solving | Reduce Payroll Overpayments/Underpayments

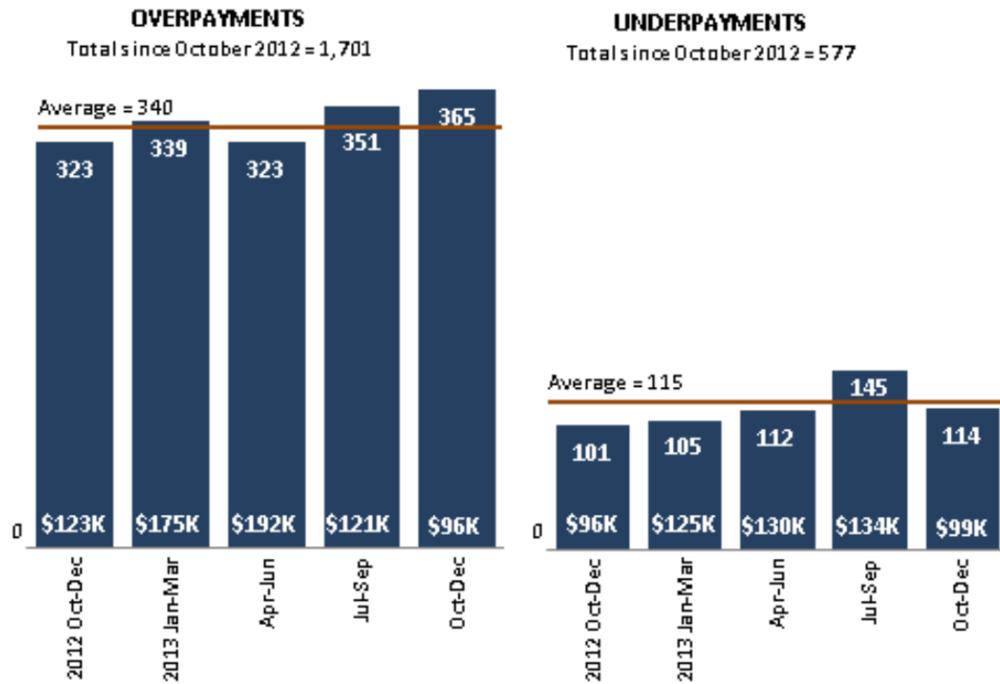
## Clarify the Problem

Payroll errors result in inefficiency and are a significant drain on scarce agency resources. They also can decrease morale not only for the employee who is not paid correctly, but for those staff who need to do additional work in order to correct issues. Underpayments to employees require the agency to make supplemental payments to employees, and overpayments result in an often burdensome collection process. Errors can occur anywhere in the process—from employees or supervisors submitting time information late to payroll, or time and attendance staff incorrectly entering information.

## Breakdown the Problem

Statewide

Overpayments issued based on research by the payroll section, and underpayments corrected based on employee's requests for supplemental payments



## Target Setting

The number of payroll overpayments and underpayments will decrease from an average of 430 per quarter to an average of 390 per quarter by July 2015.

## Identify Root Cause

### 1. Knowledge Gap of Payroll

- Poor communication between employee, supervisor & time keeper regarding standards and deadlines
- Late submission of documents
- Lack of time and attendance training for staff on off hours, on-call, 24/7 shifts
- Data entry errors
- Missing approval signatures

### 2. Too many forms to complete and paper to handle

- Late leave slips from hourly employees
- Inaccurate shift schedules and changes
- Require signatures on many different forms

### 3. No standard system for all employees

- Part-time employee calculations still a manual input process
- HRMS leave balance does not match on Leave Tracker – causes confusion and errors

## Identify Countermeasures

Root Cause	Proposed Countermeasure	Feasibility	Cost	Risk	Impact
1. Knowledge gap of payroll	Communication Plan	Yes	Med	Low	Med
2. Too many forms to complete and process	Leave Tracker Implementation by June 2014	Yes	Med	Low	High
3. No standard system for all employees	Continue participation in statewide Time, Leave and Attendance (TLA) workgroups	Yes	Med	Low	High

## Action Plan

ID#	Problem to be solved	Action Item	Lead	Due Date	Status
1	Knowledge gap of payroll	<ul style="list-style-type: none"> <li>• Develop ongoing communication plan</li> <li>• Share error data with programs</li> </ul>	Terry Westhoff	July 2015	Ongoing
2	Too many forms to track and input	<ul style="list-style-type: none"> <li>• Leave Tracker Implementation</li> </ul>	Jay Minton & Jeff Flesner	June 2014	In process
3	No standard payroll system	<ul style="list-style-type: none"> <li>• Continue TLA participation</li> </ul>	Jay Minton	July 2015	In process