

Expand and Complete Digitization of Payroll Services and Recruitment **FY2025 Request: \$2,050,000**
Reference No: 64713

AP/AL: Appropriation **Project Type:** Information Technology / Systems / Communication

Category: General Government **House District:** Statewide (HD 1 - 40)
Location: Statewide **Contact:** Hans Zigmund
Impact House District: Statewide (HD 1 - 40) **Contact Phone:** (907)465-2240
Estimated Project Dates: 07/01/2024 - 06/30/2029

Brief Summary and Statement of Need:

This funding will be used to continue the modernization and automation process for statewide timesheet auditing, payroll production data entry and distribution, and Personnel Action Request Form (PARF), Automated Letter of Agreements, payroll production tasks, and expanded infrastructure to help address manual entry timesheets. This also includes the digitization and electronic storage and retention of personnel and payroll documents.

Funding:	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>Total</u>
1004 Gen Fund	\$2,050,000						\$2,050,000
Total:	\$2,050,000	\$0	\$0	\$0	\$0	\$0	\$2,050,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> Ongoing
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:
 Sec14 Ch1 SLA2023 P82 L16 HB039 \$2,200,000

This project is the next step following the \$2.2 million Payroll Digitization Capital Request in FY2024.

Project Description/Justification:

The Division of Finance (DOF) Payroll Services and Production sections currently serve approximately 18,000 executive branch employees across 14 agencies. This involves the bi-weekly auditing of timesheets, entry of PARFs, direct deposit setup, and processing of multitudes of deductions and garnishments. Each of these actions are still done manually through paper documents. The incredible amount of paper produced by this process is consuming a significant amount of floor space in numerous State-owned and leased buildings. In addition, the associated office supply costs for continuing to use paper (multi-function machines, paper, toner, pens, etc.) continue to rise and are currently costing DOF upwards of \$265,000 annually.

The initial \$2,200,000 funding for this project appropriated in fiscal year 2024 was utilized for the configuration and implementation of the digital solution for timesheet auditing only. This additional funding is needed to continue the timesheet automation and electronic storage, payroll production data entry, and PARF phases of the project.

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Ongoing support and cloud storage costs are estimated at \$760,400 annually. DOF plans to absorb these costs through the attrition of support positions currently used to process and print the associated paper documents, and the anticipated supply costs savings from going paperless.