

Benefits Bulletin

To Inform and Educate Archdiocesan Leadership

Volume 7, #3



Payroll Improvements Coming January 2016

We continue to work on process improvements for our payroll system and related procedures. While we know we have many issues to address, we assure you that we continue to listen to your feedback and work on improving processes and streamlining the procedures at the location level. As part of this overall effort, effective with the first pay dates for January 1, 2016, we are making some structural changes to the way UltiPro is set up. The changes are designed to improve accuracy and simplify payroll processes for locations. Although we expect to continually work on improvements, the next step – payroll consolidation – will take effect for January 2016 payrolls.

Generally, payroll consolidation means that in UltiPro, parishes, schools and agencies will become a "location" within the same "company" instead of each parish, school or agency being its own company. Of course, each location will still be responsible for payroll-related decisions (rate of pay, hiring, termination, etc.).

We're taking this next step in our improvement efforts because this is the only way to ensure that every paid hour (worked or as time off) is correctly recorded and that the Archdiocese has the tools needed to comply with pay and benefit laws (such as the Fair Labor Standards Act and the Affordable Care Act) as well as reporting requirements for retirement and insurance benefits.

Payroll consolidation will:

- Ensure accurate reporting of all employee's hours for:
 - overtime
 - retirement plan and insurance plan eligibility,
 - benefits.

This allows the Archdiocese to comply with the required reporting under the Affordable Care Act and other state and federal laws affecting pay and benefits
- Simplify W-2s for multi-location employees.
- Eventually lead to the elimination of the current payroll supplemental spreadsheets.
- Help to improve accountability of hours worked between the employee and the direct supervisor as required by law, and reduce the work load of the PAA or bookkeeper.
- Get us to "audit ready" payroll records.
- Provide real time data on employees for forecasting and staffing management.

This newsletter provides an initial overview of the payroll consolidation plan and what will be required of you and your employees starting with the first payroll dates for January 2016.

Mary E. Santi, JCL, MDiv, SPHR
Chancellor/Executive Director of Human Resources

Geralyn Mirante-Marley, CEBS
Director of Archdiocesan Benefits and Payroll

In This Issue:

- Payroll Consolidation Overview
- Payroll Procedures and Time Entry
- Multi-Location Employees and Payroll Consolidation
- What's Next

Payroll Consolidation Overview

Effective for January 2016 Payrolls

- The Payroll Services Office (PSO) will be consolidating payroll processing for most* CCAS employers, which includes parishes, schools and agencies, within the Archdiocese into one “company” in UltiPro.
 - Currently, each parish, school or agency is its own “company” in UltiPro. With this consolidation, each parish, school or agency will now be considered a “location” within the new “company.”
 - Each parish, school or agency will share one Federal Employer Tax ID number (FEIN). Currently, each location has its own FEIN and will continue to do so. The combined FEIN is for payroll purposes only.
- After the last pay date of December 2015, PSO will transfer all currently active employees to the new “company.”
 - Administratively, these transferred employees will show a “terminated” record in UltiPro within their job history.
 - This will not affect their seniority, benefit or pension eligibility or any other facet of their employment.
- After the first pay date in January, PSO will terminate all inactive employees, defined as those having no pay/deduction transactions within the last six months. If you have employees that fall into this category that you wish to retain, **let us know which employees need to stay active in payroll by December 15, 2015** by contacting the PSO at:
 - 206-274-7662 or
 - PayrollServices@seattlearch.org
- There are implications for employees working at multiple locations within the Archdiocese of Seattle, such as overtime, independent contractor status, benefit eligibility and time off benefits. See “Multi Location Employees” on the next page.
- We are evaluating possible changes to how data entry of payroll will be done. As part of this evaluation, we are developing a new combined BSO/PSO Personnel Action Form. As soon as the form is complete and we have our final data entry procedures defined, we will send out a detailed communication.

QUESTIONS? WHO TO CONTACT

For Human Resources related questions please contact
Jennifer Clemens at 206-382-4574 or
Matt Boswell at 206-264-2083.

For Payroll Services questions please contact
206-274 7662 or payrollservices@seattlearch.org.

- Employees who have been consistently using UltiPro to record their hours will see little change with the payroll consolidation:
 - You will need to notify your employees of their new company code so they can input their hours worked/exception time in UltiPro.
 - Employees will still have access to their historical pay records under their old location profile.

*Five locations that are in our payroll system but separately incorporated will not be moving. These are: St. Elizabeth Ann Seton School, John Paul II High School, Blessed Sacrament Parish, the Fulcrum Foundation and the Washington State Catholic Conference.

ULTIPRO RECORD CLEAN UP

We have been and will continue to send data cleanup items to individual locations as we move through our project plan items. Specific areas include key dates (hire, benefits seniority date, and last hire), exempt/non-exempt classification and full time/part time status.

Payroll Procedures And Time Entry

One important step to reducing payroll administrators’ (PAAs, Bookkeepers) workloads is to require employees and supervisors to do their part.

- Employees are required to directly enter their hours/exception time into their UltiPro electronic timesheet.
- If an employee fails to enter his/her hours/exception time, it will be the supervisor and/or payroll administrator’s responsibility to enter the time for the employee.
- By the time this bulletin is published, all payroll administrators should have received a communication from Payroll Services about assignment of direct supervisors to the employees they supervise.
- **Please reply to this request for supervisor assignment as quickly as you can.**
- Once we know who the direct supervisors are, we will update UltiPro with this information and then we will send instructions to all the locations for how to update this information going forward.

Multi-Location Employees and Payroll Consolidation

Multi-location employees are those who work in two or more Archdiocesan locations. Historically they have been considered separately employed at each parish, school or agency, but they are truly employed by one overarching employer – The Archdiocese of Seattle.

Payroll consolidation assigns a home location and consolidates the records of multi-location employees for each position held and all payroll information into a single employee record. Their hours worked at each location are combined, allowing the Archdiocese to easily ascertain:

- Overtime for non-exempt employees,
- Appropriate independent contractor vs. employee status,
- Appropriate exempt vs. non-exempt status,
- Benefit and pension eligibility,
- Workers' compensation accounting, and
- Time-off benefits.

Home Location

- Employees who work at more than one location will receive one paycheck from the designated "home" location rather than separate checks from each employing location. Payroll Services will provide each designated home location with a roster of their assigned employees. Home locations will be assigned to multi-location employees based upon the following criteria:
 - The location that pays the benefits (if eligible), or
 - The location where the employee works the most hours, or
 - Where the employee has worked the longest.
- The worked location(s) will be responsible for the employee's payroll liabilities from work performed at that location, as described in "Payroll Funding Process for Multi-Location Employees" (see right).

Employee Profile

PSO will combine current multi-location employee records to ensure that each Archdiocesan employee has one record and one home location in UltiPro even though physically working in multiple positions and/or locations.

Although only the home location will have access to the UltiPro employee profile, all worked locations will have access to the multi-location employee UltiPro (UTM) electronic time sheet.

Substitute Teachers

- A substitute teacher pool has been created with an "Office of Catholic Schools" home location for all substitute teachers working in multiple school locations without a naturally occurring home location (with the exception of St. Elizabeth Ann Seton and John Paul II High School). Payroll for the multi-location substitute teacher pool will be processed semi-monthly.
- Substitute teachers working at only one school will not be part of this new pool, but will be paid through the one home school location.

Non-Exempt Employees Recording Hours in UltiPro

- Non-exempt multi-location employees will have access to each location for which they work in UltiPro and will have the ability to record their time worked by location.
- Supervisors at each location will be required to approve their employee's hours for their location.
- The non-home location(s) will have access to the employee's timesheet for their location.

Payroll Funding Process for Multi-Location Employees

- Funds for payroll for multi-location employees will be made available from the employee's worked locations. A process is under development for worked location sweeps of payroll liabilities (payroll expenses, deductions, and taxes pertaining to the employees pay) to occur automatically through the Payroll Services Office based on the multi-location agreement set by Human Resources.
- There are additional expenses that need to be considered that will not be swept such as Benefits, Paid Time Off, Workers Compensation and Pension.
- For substitute teachers assigned to the "Substitute Teacher Pool" location, funds for payroll will be made available from the worked locations.

WORK AGREEMENTS

Benefits Services, Payroll Services, and Human Resources are creating a work agreement for multi-location employees.

What's Next

Home Location Assignment and Cost Allocation

- PAAs and bookkeepers who have current multi-location employees assigned to their location will be contacted by Human Resources. If you have multi-location employees and don't hear from Human Resources, please contact jennifer.clemens@seattlearch.org.
- PAAs and book keepers will need to notify their employees of their new consolidated payroll location code so they can input their hours worked/exception time in UltiPro.
- Before hiring any employees into a NEW multi-location assignment, PAAs and bookkeepers MUST contact Human Resources to discuss the particulars of the situation and create a multi-location work agreement approved by Human Resources. After January 1, 2016, only Payroll Services will have the ability to add a new position to an existing Archdiocesan employee. Payroll Services will only add the additional position/location for those employees with an approved multi-location work agreement – signed by both locations and Human Resources.
- Instructions for entering electronic time for multi-location employees will be posted in UltiPro by December 2015.

Training

- The BSO/PSO will have PowerPoint training available for payroll administrators, bookkeepers, supervisors and employees on UltiPro prior to January 2016.
- Supervisors are responsible for making sure their employees review the online training materials for effectively using UltiPro. Training materials will be available on the UltiPro Communications Portal on the UltiPro Home Page. Training will include PowerPoint presentations on:
 - How an employee enters hours and submits their electronic timesheet.
 - How a supervisor navigates, edits, and approves their employees electronic timesheets.
- Under the "Myself" tab, employees are encouraged to review the multiple UltiPro Quick Tours and Tips, which are available on the right side of the page under each applicable subtab:
 - Personal,
 - Jobs,
 - Time Management,
 - Pay, and
 - Benefits.