



# Twice-Monthly Pay Frequency Update

**Board of Education Work Session**

**March 19, 2024**

# Desired Outcomes

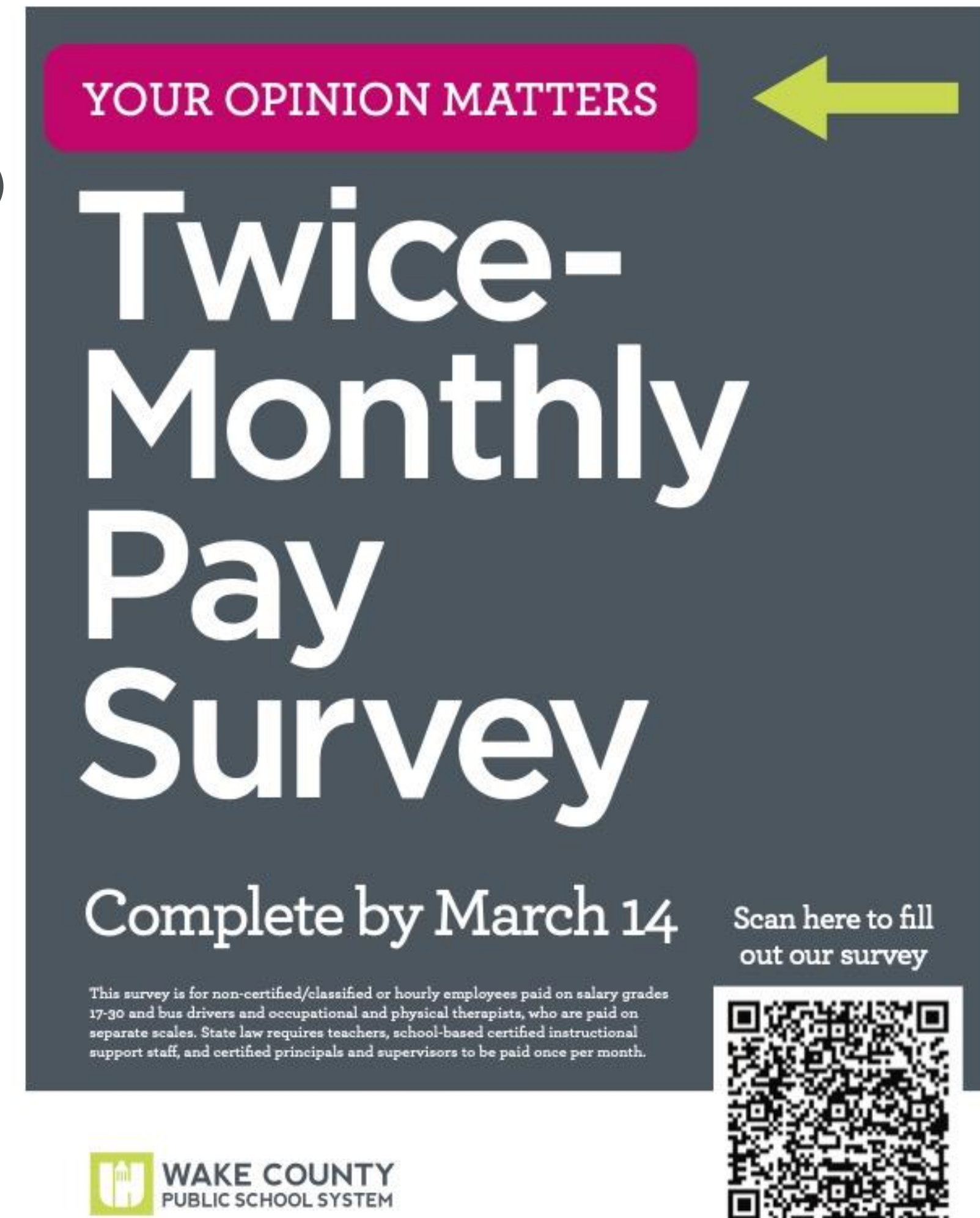
Board members will gain an understanding of:

- Employees who are eligible for twice-monthly pay, including hourly-paid and salaried employees on grades 17-30\*;
- Results of the Twice-Monthly Pay Survey;
- Current state and timeline for the ORACLE ERP upgrade; and
- The costs associated with moving to a twice-monthly pay frequency.

*\*North Carolina General Statute requires that all licensed employees and/or those with a contract, are required to be paid on a monthly basis. For this reason, teachers and many of our employee groups cannot be paid twice monthly.*

# Twice-Monthly Pay Survey

- Overall response rate: 67.6%
- 6,364 employees surveyed (approximately 32% of staff)
  - All employees paid on Salary Grades 17-30
  - Bus Drivers
  - Occupational and Physical Therapists
- Anonymous survey did not require a WakeID login
- Accessible by phone and QR code
- Available in Spanish and other languages per request
- Worked through supervisors and via direct email to distribute survey and boost response rates
- Launched March 5, closed March 14



YOUR OPINION MATTERS


# Twice-Monthly Pay Survey

Complete by March 14

Scan here to fill out our survey

This survey is for non-certified/classified or hourly employees paid on salary grades 17-30 and bus drivers and occupational and physical therapists, who are paid on separate scales. State law requires teachers, school-based certified instructional support staff, and certified principals and supervisors to be paid once per month.

**WAKE COUNTY**  
PUBLIC SCHOOL SYSTEM



# Job Roles Surveyed

## Hourly-Paid Employees

- Bus Driver
- Bus Safety Assistant
- CNS Assistant Manager
- CNS Cashier/Assistant
- CNS Floating Cashier/Assistant
- CNS Manager

# Job Roles Surveyed

## Salary-Paid Employees

- Accountant
- Area Custodial Manager
- Area Facilities Manager
- Bookkeeper
- Brailist
- Building Substitute
- Bus Operations Team Leader
- Clerical Assistant
- CNS Transporter
- Craftsman
- Custodian
- Customer Service Representative
- Data Analyst
- Departmental Budget Analyst
- Facilities Maintenance Technician
- Instructional Assistant
- Instructional Support Specialist
- Job Coach
- Lead Secretary
- Master Craftsman
- Mechanic
- Occupational Therapist
- Physical Therapist
- Processing Technician
- Receptionist
- Registrar
- Routing Specialist
- Secretary
- Technician
- Training Specialist

# Survey Questions

1. What is your role?
2. If the district is able to divide your monthly pay into two payments (one mid-month, one end-of month), which do you prefer?
  - Once-a-month payment (our current pay schedule, in which payday falls on the last working day of the month)
  - Twice-per-month payment (a new pay schedule with payday to fall within the second week of the month and on the last working day of the month)
3. Because you indicated a preference for the twice-per-month pay option, please rate your level of agreement with the following statements. (1=strongly disagree to 5=strongly agree)
  - A twice-per-month pay schedule will improve my ability to budget and manage my finances.
  - A twice-per-month pay schedule will increase my job satisfaction.
  - A twice-per-month pay schedule will increase the likelihood I will remain working with WCPSS.
4. Please share any additional comments you have about pay frequency with district leaders.

# Survey Results

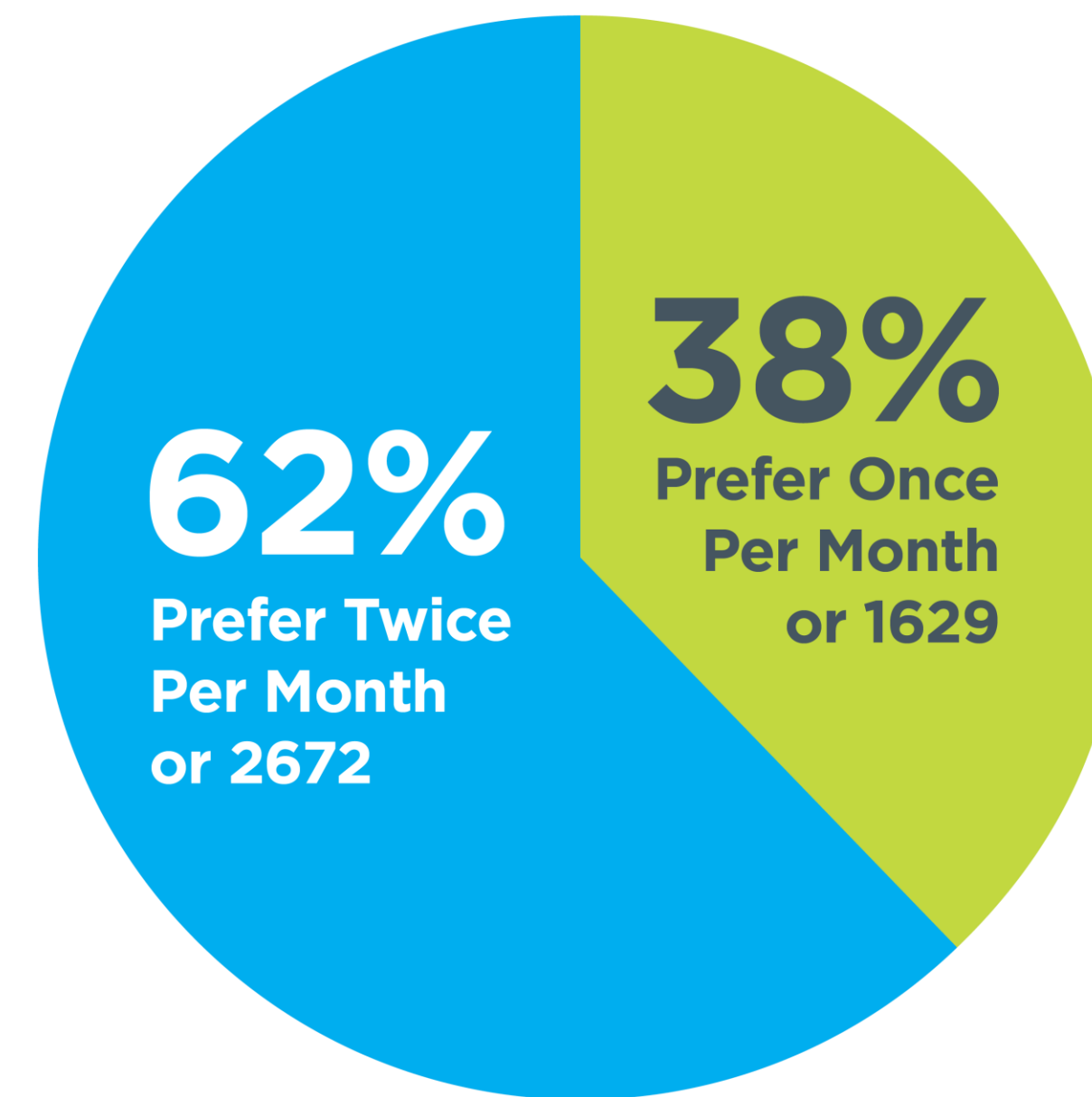
If the district is able to divide your monthly pay into two payments (one mid-month, one end-of month), which do you prefer?

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**Total Employees Surveyed** (those paid on salary grades 17-30, bus drivers and OTs/PTs)

**6364** Total Surveyed

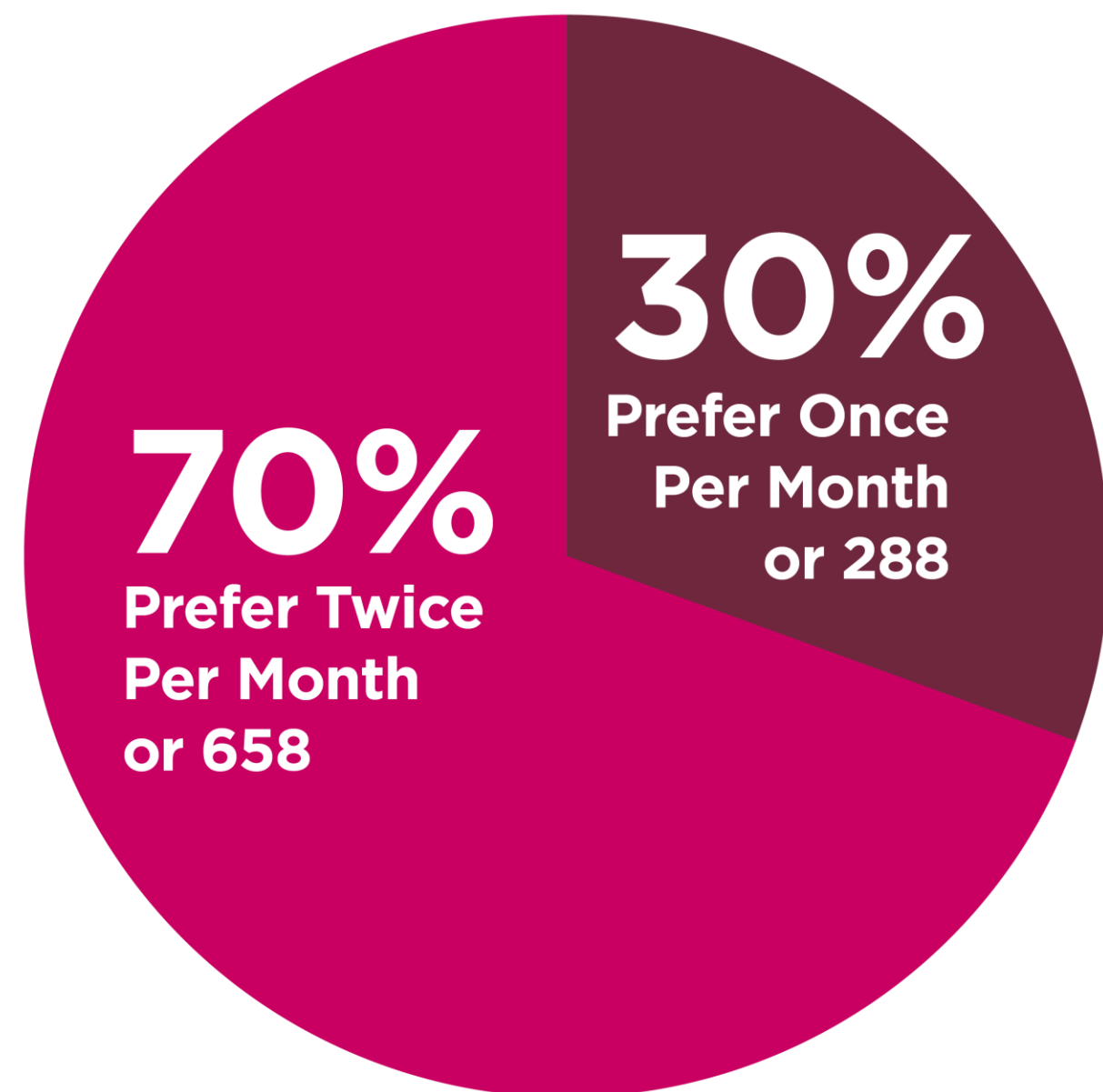
Total Responses: **4301**



# Survey Results

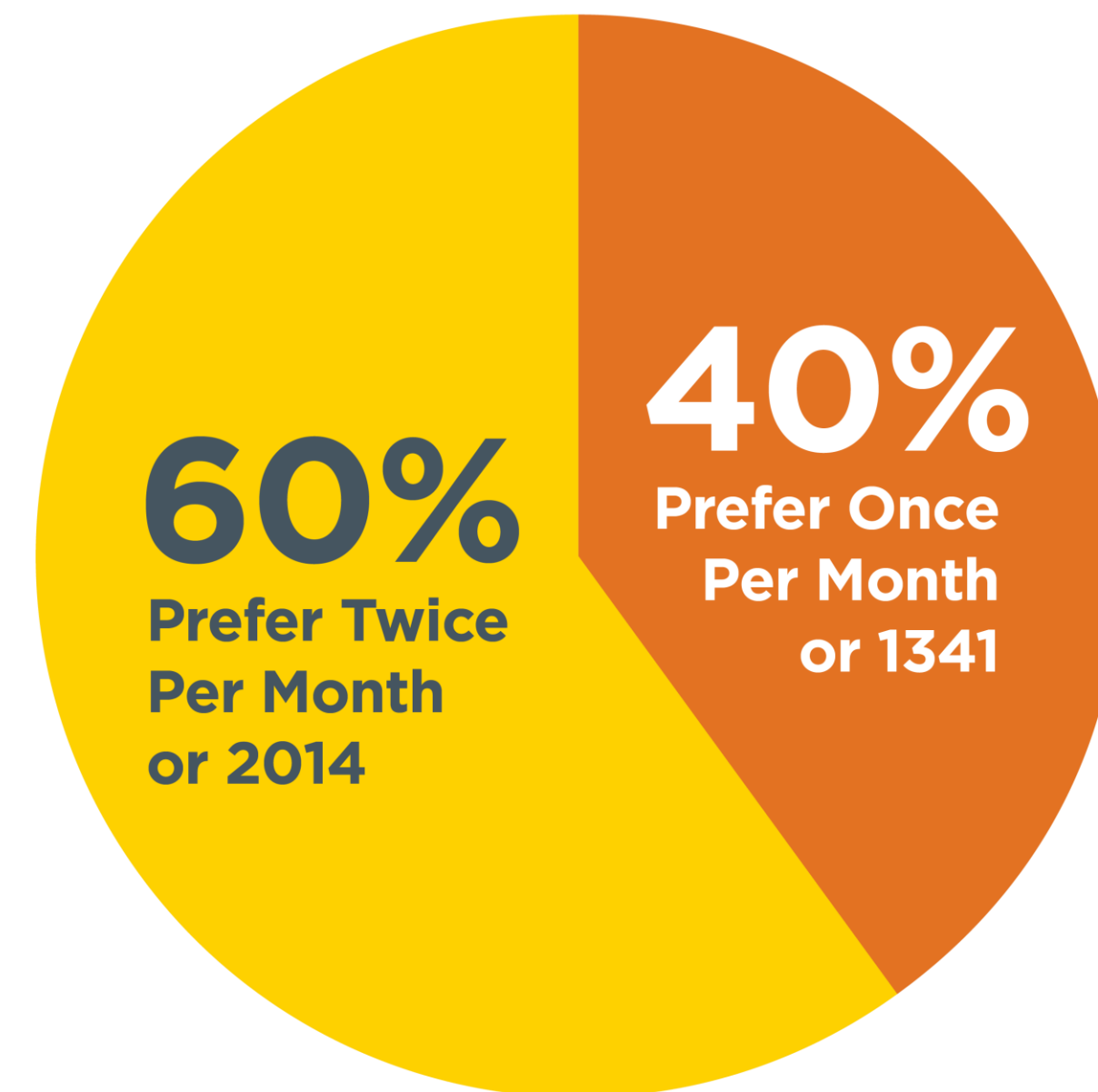
**Hourly-Paid Employees** (bus drivers, safety assistants, CNS managers, assistant managers, cashiers/assistants)

**1348** Total Surveyed  
Total Responses: **946**



**Salaried Employees** (paid on grades 17-30 and OTs/PTs)

**5016** Total Surveyed  
Total Responses: **3355**



# Survey Results

<b>Hourly-Paid Employees</b>	<b>Total Surveyed</b>	<b>Total Respondents</b>	<b>Percent Responded</b>	<b>Once per month</b>	<b>Twice Per Month</b>
<b>Transportation</b> (bus drivers, safety assistants)	<b>679</b>	<b>546</b>	<b>80%</b>	<b>30%</b>	<b>70%</b>
<b>Child Nutrition Services</b> (managers, assistant managers, cashiers/assistants)	<b>669</b>	<b>400</b>	<b>60%</b>	<b>30%</b>	<b>70%</b>

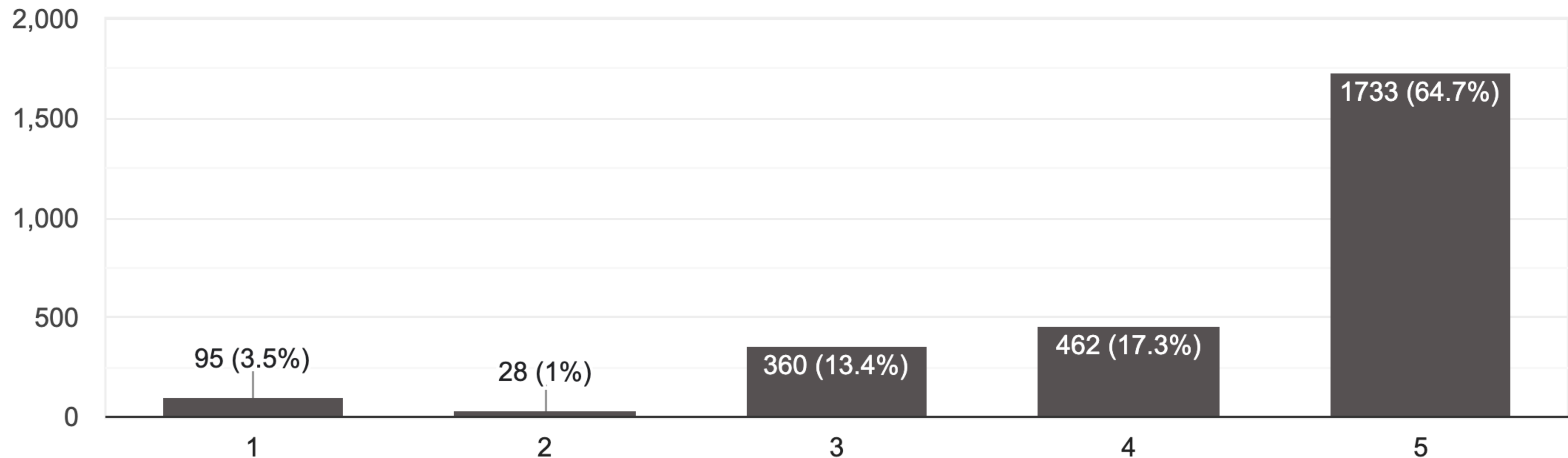
# Survey Results

Salaried Employees	Total Surveyed	Total Respondents	Percent Responded	Once per Month	Twice per Month
<b>Instructional Assistants</b> (general ed, special ed, pre-K)	2,663	1,790	67%	34%	66%
<b>School-based Office Staff</b> (bookkeepers, clerical assistants, data managers, lead secretaries, receptionists, registrars)	818	655	80%	38%	62%
<b>Custodians</b> (custodians and head custodians)	365	132	36%	39%	61%
<b>Occupational and Physical Therapists</b>	86	76	88%	95%	5%
<b>All other job role categories surveyed and not listed above</b>	1,084	702	65%	50%	50%

# Twice-Monthly Pay Preference Reasons

A twice-per-month pay schedule will improve my ability to budget and manage my finances.

2,678 responses



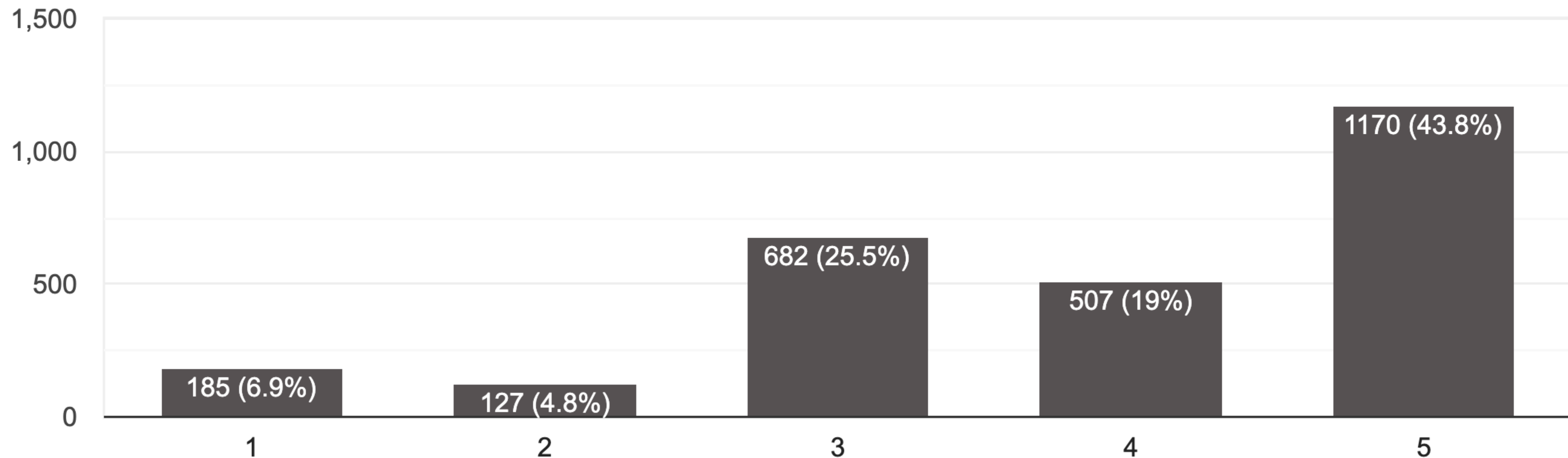
**This question was asked only of those who indicated a preference for twice-monthly pay.**

1 = Strongly Disagree to 5 = Strongly Agree

# Twice-Monthly Preference Reasons

A twice-per-month pay schedule will increase my job satisfaction.

2,671 responses



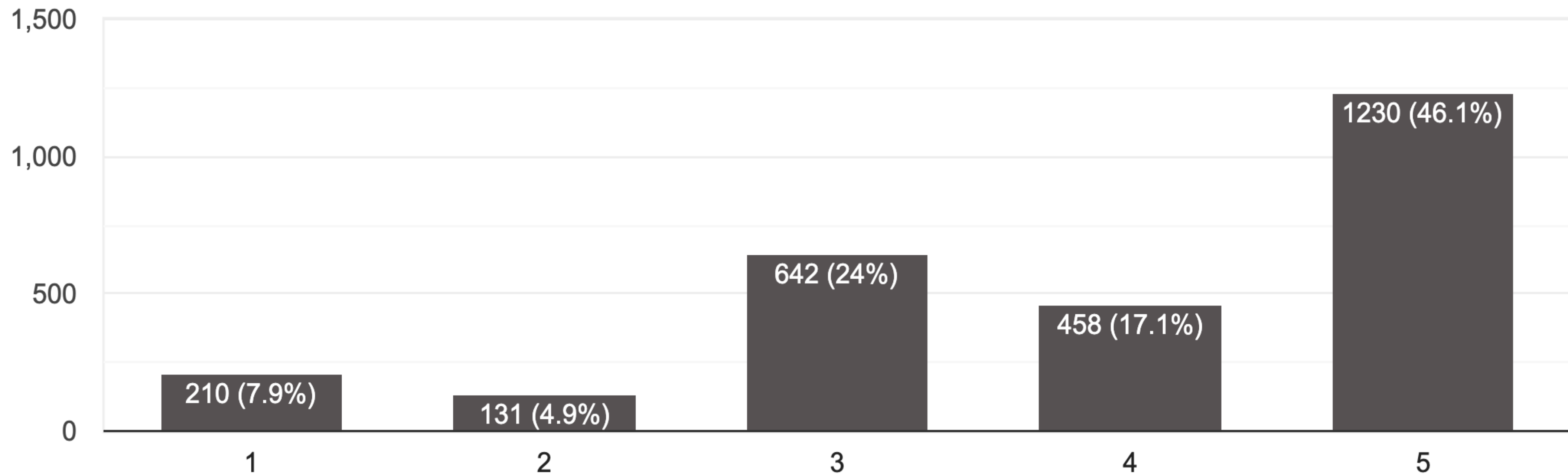
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# Twice-Monthly Pay Preference Reasons

A twice-per-month pay schedule will increase the likelihood I will remain working with WCPSS.

2,671 responses



**This question was asked only of those who indicated a preference for twice-monthly pay.**

1 = Strongly Disagree to 5 = Strongly Agree

# Next Steps

- Survey closed at end-of-day on March 14
- 1,240+ open responses to be reviewed, redacted and shared with Board to inform next steps
- Board to review results breakdown and request additional analysis as needed
- Survey results, relevant Board actions and next steps will be shared with supervisors, principals and all staff

# Questions?



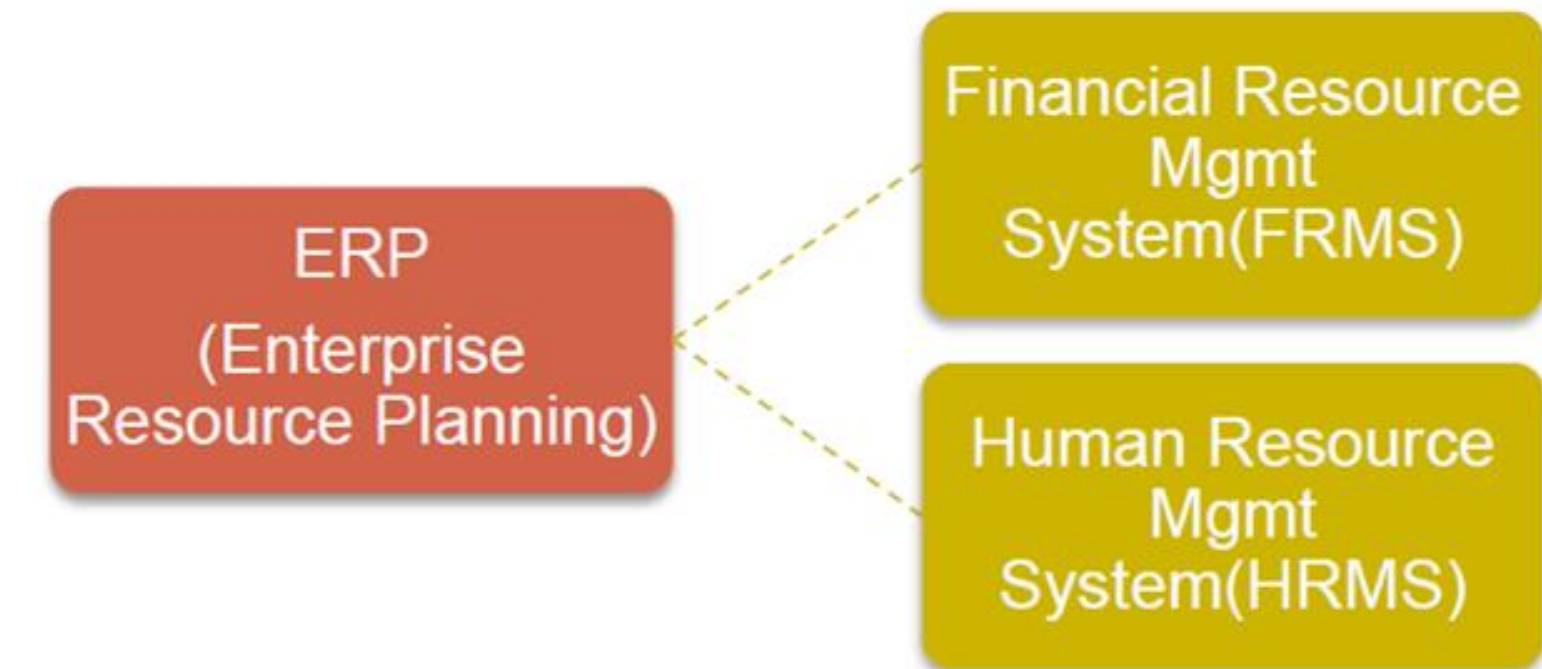


# ORACLE ERP Update

# History & Current Landscape of Oracle ERP

## ERP - Enterprise Resource Planning

- Human Resources Management System
  - Employee Information Management
  - Payroll , Benefits Administration and Time and Attendance
- Financial Resource Management System
  - Financial Reporting
  - General Ledger, Accounts Payable, Accounts Receivable, Fixed Assets and Cash Management
- Oracle ERP went live in 2000
- Current Oracle version is 12.1 (under extended support with Oracle)
- Oracle ERP has many customizations



# Impact (System Updates) Proposed Change in Payroll Frequency

- Current system updates are **not a prerequisite** to implement a change in payroll frequency to twice per month.
- **If system updates are not performed:**
  - Higher maintenance costs - Extended vendor support for additional cost
  - Difficulty in upgrades & decreased system performance and efficiency
  - Vendors discontinue support for older versions, obtaining essential technical assistance becomes difficult
  - Potential risk of Payroll delays
  - Incompatibility with business needs

# High-Level Timeline – Option A

Activity	Description	Key Date
Oracle ERP 12.2 Upgrade	Upgrade to version 12.2 along with other system updates (Hardware/Operating System etc.)	Jan 01, 2025 Live
Oracle ERP 12.2 Stabilization	Post go-live support for ensuring a smooth transition, promoting user adoption, resolving issues promptly, and optimizing system performance.	Jan 01, 2025 - April 2025
Change in Payroll Frequency - Phase I	This group includes Hourly Paid Employees. Development, configuration work will start March 2025.	Jul 01, 2025 Live
Change in Payroll Frequency - Phase II	This group includes all eligible Salaried Employees. Development, configuration work will start June 2025.	Jan 01, 2026 Live

# Things to Consider – Option A

- **Oracle Upgrade:** Requires thorough testing for a smooth transition to the new version
- **Customizations:** Requires validation and testing including the execution of payroll runs
- **Year-end & begin system preparation:** This includes W/2 and 1099 processing
- **Post-upgrade stabilization:** Address identified issues for optimal system performance
- **Vendor interface validation:** Transitioning to new vendors, (i.e. benefits) requires validation
- **System testing:** Requires cross-functional teams that also are supporting ongoing tasks

# High-Level Timeline – Option B

Activity	Description	Key Date
Oracle ERP 12.2 Upgrade	Upgrade to version 12.2 along with other system updates (Hardware/Operating System etc.)	Jan 01, 2025 Live
Change in Payroll Frequency - Phase I	This group includes Hourly Paid Employees, Development, configuration work will start August 2024.	Jan 01, 2025 Live
Oracle ERP 12.2 Stabilization	Post go-live support for ensuring a smooth transition, promoting user adoption, resolving issues promptly, and optimizing system performance. (Only applicable to Phase II )	Jan 01, 2025 - April 2025
Change in Payroll Frequency - Phase II	This group includes all eligible Salaried Employees. Development, configuration work will start April 2025.	Jul 01, 2025 Live

# Additional Things to Consider – Option B

- **Risk of Errors** : Layering additional changes onto an already complex upgrade process can exacerbate its challenges and increase the risk of errors or issues.
- **Impact on Stability**: The stability of the system may be compromised as it undergoes multiple changes simultaneously, increasing the risk of disruptions, downtime, or performance issues.
- **User Adoption**: Introducing concurrent changes can overwhelm users already adapting to a major upgrade, hindering adoption and causing resistance or frustration.
- **Quality**: Implementing multiple changes simultaneously can strain resources, leading to potential delays, oversights, or compromises in quality.

# High-Level Timeline – Option C

Activity	Description	Key Date
Oracle ERP 12.2 Upgrade	Upgrade to version 12.2 along with other system updates (Hardware/Operating System etc.)	Jan 01, 2025 Live
Oracle ERP 12.2 Stabilization	Post go-live support for ensuring a smooth transition, promoting user adoption, resolving issues promptly, and optimizing system performance.	Jan 01, 2025 – Mar 30 2025
Change in Payroll Frequency - Phase I	This group includes Hourly Paid Employees, Development, configuration work will start Jan 2025.	Apr 01, 2025 Live
Change in Payroll Frequency - Phase II	This group includes all eligible Salaried Employees. Development, configuration work will start April 2025.	Nov 01, 2025 Live

# Additional Things to Consider – Option C

- **Impact:** The condensed timeframe to properly test the system may be compromised, which increases the risk of disruptions, downtime, or performance issues.
- **Time Constraints:** Rushing the setup process increases the likelihood of overlooking critical components, leading to potential system instability or vulnerabilities
- **Testing:** Testing fatigue with all stakeholders is increased with a shorter runway

# Questions?





# Twice-Monthly Pay Cost Model

# Estimated One-Time Implementation Costs

## One-Time

- Software development ORACLE - \$85k
- Contractors for testing - \$130k
- Interfaces with third-party benefit providers – TBD

# Estimated Additional Recurring Costs

## Recurring (Estimated 6 additional FTE)

- Transportation (1 FTE) and Child Nutrition Services (1 FTE): The additional FTE is necessary to collect, and review the accuracy of paper timesheets, make corrections, and key hourly paid employees in the time and entry system.
- Human Resources (2 FTE): The increase in FTE is due to the reduced timeline available resulting from additional payroll lockout days. Staff are needed to expedite hiring requests and data entry for new hires and employee changes in the HR system.
- Compensation Services (2 FTE): The increase in FTE is due to the increased complexity of benefit and pay-related research and audits, as well as the increased management of the associated workload of reconciling data points for internal and external reporting and controls.
- Estimated annual cost for 6 FTE including benefits – \$495k\*
- Potential for additional FTE beyond this determined post-implementation

\*Compensation, Employer FICA, Retirement, & Employer Health Insurance

# Questions?

