

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: REVISED PAYROLL DISTRIBUTION PROCESS

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO DISTRICT

STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES

As a cost savings initiative that will also enhance privacy and security over employee's pay, authorization is being requested to require mandatory direct deposit of all payroll payments in lieu of paper checks and discontinue the printing and distribution of hardcopy payroll advice statements effective March 2, 2009. This initiative was also proffered by the United Teachers of Dade as part of their cost savings proposals. The initiative was discussed with representatives from all bargaining units and employee groups. It is anticipated that the estimated annual cost savings will approximate \$185,000 once the initiative is fully implemented.

Employees will have the capability to have their salary payments direct deposited into any financial institution that allows electronic fund transfers, the South Florida Education Federal Credit Union, and/or a "Payroll Debit Card" issued through SunTrust Bank in affiliation with Skylight Financial, Inc. The employee owned Payroll Debit Card accounts are insured by the Federal Deposit Insurance Corporation and are held at SunTrust Bank. The District will subsidize the initial set-up fee of \$2.50 per employee and a one-time District wide \$250 Implementation Fee for the Payroll Debit Card Program, from cost savings of the new payment/distribution process.

All earnings payments due to an employee will be combined into one single "Payroll Advice"; with the exception of reimbursements such as travel, tuition, etc. A detailed Payroll Advice will be electronically posted and can be accessed and printed from the Employee Portal and will be archived for future inquiries. Only the employee will have access to their own electronic Payroll Advice. All worksite administrators must grant access to all employees to view and/or print their own Payroll Statement. Employees that work at multiple sites are to be provided access by the site administrator. Additional personal computer stations will be provided to the Transportation & Maintenance Department locations to facilitate employee access. The estimated costs for the personal computer stations of \$22,000 will be funded from the \$50 million Master Technology Lease approved by the Board on June 13, 2007.

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Corresponding changes to the Payroll Policies and Procedures Manual incorporating these changes to the Payroll Distribution Process will be forwarded for first and second readings at subsequent School Board meetings.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

- 1) approve the Revised Payroll Distribution Process;
- 2) authorize the Superintendent to finalize negotiations and execute a contract with SunTrust Bank N.A. and Skylight Financial, Inc. for a period of three years with a total one-time start-up budget of \$13,000;
- 3) revise the \$50 million Master Technology Lease Project List to include \$22,000 for personal computer stations to provide access to the Employee Portal and reduce available funding in other Project Budgets; and
- 4) make the necessary and related changes to the five-year facilities work program resulting from these budget adjustments.