

Executive Summary

Prepared for Board of Trustees Meeting

April 20, 2010

Direct Deposit and Paperless Pay Stubs

Purpose of Report

The purpose of this report is to update the Board of Trustees regarding the direct deposit and paperless process for Denton ISD employees beginning May 2010.

Objectives

- Implement the Employee Access Center (EAC) for distribution of pay stubs
- Require direct deposit for all new employees added to the Monthly Payroll.
- Offer direct deposit to the employees included in the Operations (Bi-weekly) Payroll.

Operational Impact

- Monthly Payroll
 - Last payroll we had a total of 2,802 checks of which 2,668 were direct deposit and 134 were printed checks. We will offer direct deposit to these 134 employees; if they do not choose to not have direct deposit, we will mail their checks beginning in June 2010.
 - All new hires will be required to have direct deposit.
 - In May 2010, pay stubs will be provided to staff on the monthly payroll through the EAC.
- Operations (Bi-weekly) Payroll
 - We will offer direct deposit to the bi-weekly employees; regardless of their choice we will continue to print checks as needed and pay stubs and continue our current distribution practices.
- Substitute checks will be mailed.
- Pay Stubs – All Employees have access to view their pay stubs through the EAC. We are in the process of training the Operations group on how to use the EAC.

Results

There are many benefits to be gained from the implementation of these changes:

- Bank Reconciliations – The reduction of the number of checks issued by the District will significantly reduce the time and effort required during the bank reconciliation process. Currently we issue 2,802 monthly checks/direct deposit payments. The Bi-weekly Payroll includes about 1,300 – 1,400 checks per month.
- Bank Security – Check fraud is a serious threat. Moving to direct deposit will simply improve the security of our bank accounts by significantly reducing access to our account information.

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- Staff Time – Preparation of payroll checks for distribution is a very time consuming process. The staff time currently used for printing, sorting, folding and sealing of the checks may now be directed to address the continued growth of the district.
- Staff Travel Time – Currently staff from various campuses and departments must travel to the Business Office to pickup checks for distribution each month. The use of the EAC will eliminate the need for distribution of the monthly checks and pay stubs.
- Supplies – The Business Office budget will benefit as a result fewer supplies required for the printing of checks and pay stubs – forms, MICR ink and equipment (printer, folder/sealer).
- Network – The Network Newsletter is offered online. We will eliminate the paper copy that is currently distributed with the checks and pay stubs resulting in a cost saving to the Communications Department.