

e-Payroll Background Information

Background

The current Federal payroll service environment evolved over many years of incremental changes that have been implemented in different ways across the Government. The influence of Agency-unique interpretation of legislation, regulation, and HR policies have all contributed to a complex set of requirements that, when taken together, create an obstacle to the modernization of payroll systems and processes.

Twenty-two Government providers currently deliver Federal civilian payroll services using 14 separate systems. The four largest – Department of Agriculture, Department of Defense, Department of Interior, and General Services Administration – service over 80 percent of the total civilian payroll, accommodating over 190 different pay plans. Because of age and capacity limitations of payroll processing environments, many service providers have either considered or completed capital investments in payroll systems infrastructure. Over the years, Federal agencies have attained cost savings through consolidation of their payroll operations with Federal payroll providers by achieving cost avoidance in both capital investment and daily business operations. The e-Payroll consolidation initiative follows a similar rationale.

NASA e-Payroll

The NASA e-Payroll Project will consolidate NASA's payroll service utilizing a system operated and maintained by the Department of Interior (DOI). This e-Payroll capability is an element of the OPM e-Government initiative mandated by the President's Management Agenda. The e-Payroll Project will implement DOI's Federal Personnel and Payroll System (FPPS) focusing on those functions that allow NASA to replace the NASA Personnel and Payroll System (NPPS). The system will provide payroll functionality, Human Resources (HR) transactional functions, and automated workflow for SF 50/52 processing.

NASA has conceptualized a future state for Integrated Human Capital Management (IHCM) that represents opportunities to reorganize and reenergize key IHCM activities to provide effective, efficient, and economical benefits. The future state envisioned for Payroll under the IHCM effort will be bounded since process reengineering and legacy system rework will be tightly constrained on a cost effectiveness basis. The e-Payroll initiative, however, has the potential to improve service, reduce costs, and establish a new framework for IHCM operations. In order to reap the comprehensive benefits of the e-Payroll effort, it is essential that NASA take advantage of opportunities that move the Agency closer to an integrated system that can support its near-term goals and government-wide initiatives.