

San Diego Unified School District Saves \$1 Million Per Year Stopping Over Payments



San Diego Unified School District
San Diego, CA
www.sandi.net

Industry:

K-12 Education

Employees:

20,000

Oracle Products & Services:

PeopleSoft Enterprise
Human Capital Management
Financial Management
Supply Chain Management

Key Benefits:

- More accurate payroll
- Measure effective position control with tighter integration between budgets and open headcount
- Offer greater benefits to employees
- Better control over compliance management

“After an extensive evaluation of many leading ERP solutions, San Diego Unified School District implemented PeopleSoft ERP to fully integrate all the disparate systems we had running.”

– Michael Casey, Executive Director and CTO, San Diego Unified School Districts

The second largest urban school district in California and eighth largest in the nation, San Diego Unified School District (SDUSD) sought to replace its many archaic disparate systems. SDUSD had several legacy applications that did not interface with each other, which made it harder to control over payments to employees and created position control issues where there was no verification of a budget for hiring additional headcount. Further, due to an inability to collect all the necessary financial information and meet federal and state reporting obligations, the district appeared to be losing possible revenue. “The challenge was to update our architecture from several home-grown, mainframe systems to one modern, web-based business system, in order to be more cost effective and streamlined in our business practices,” says Mike Casey, Executive Director and CTO of SDUSD. “In 2002, we made the decision to go with the integrated solutions of PeopleSoft Human Capital Management (HCM), Financial Management Solutions (FMS), and Enterprise Performance Management (EPM) and use Empower Solutions as an implementation partner.”

Driving Payroll Excellence

“Considering all of the business processes involved in ERP we recognized that our biggest challenge was payroll,” explains Mr. Casey. “After implementing PeopleSoft, we found that the district was spending more than \$1million per year on over payments to employees who left the district but were never taken off payroll.” The integration between PeopleSoft HCM and PeopleSoft FMS allows the districts to better manage payroll ensuring that only employees with valid employment contracts are paid. The payroll application calculates earnings, taxes and deductions, and maintains vacation balances for 20,000 permanent

“PeopleSoft HCM handles K-12 payrolls, which are very complex when you have to consider the number of labor unions, memorandum of understandings, hundreds of calendars, multiple retirement systems and the multiple funding streams and multi-funded positions throughout the district.”

Michael Casey
Executive Director and
Chief Technology Officer
San Diego Unified
School District

and temporary employees including calculations for split funds, four different bargaining units and seventy-five income streams. “Because PeopleSoft is completely integrated with workflow-enabled capabilities, if an employee ID is made inactive in the system it automatically stops payroll, benefits, and employee access to the system,” Mr. Casey explains further.

District-Wide Access through PeopleSoft Portal

The PeopleSoft portal provides an integrated framework that allows the district to better manage the many necessary reports with a single interface. Each application is accessed through the universal portal. To reduce administrative effort and cost while improving employee satisfaction and data integrity, all full-time and temporary staff members can access self-service applications through a personalized portal to view basic payroll information, print a copy of their latest earnings statement online, view benefits for open enrollment, make plan changes, dependent and personal data maintenance, and allows employees to perform their own profile maintenance.

The portal is also interfaced with the district’s web-based Student Information System (SIS), which is used to manage such student-related administration duties as enrollment, attendance, scheduling, discipline, transcripts, and grade reporting. The SIS is also used to gather and report the data needed to remain in compliance with state and federal regulations, including the No Child Left Behind initiative.

Collaborative Recruiting

With the integration between PeopleSoft Budgets, Billing and Candidate Gateway, SDUSD can create an online post and bid service to teachers. “SDUSD posts internally open positions like for summer school and employed teachers can bid for openings by providing their credentials, experience, availability, and more,” says Mr. Casey. All external hires are managed through an outside service – SearchSoft, which integrates with the PeopleSoft HCM system so when candidates are hired their job history and other personal information are transferred to the system.

Why Oracle?

“If you look at where enterprise resource planning companies ‘grew up’ it was a logical choice to select PeopleSoft,” says Casey. “PeopleSoft cut its teeth in the HR Payroll area and payroll was a major factor for SDUSD in selecting a solution. PeopleSoft

HCM offered the greatest functionality with complete integration to all the other business systems we needed to run.”

Implementation Process

SDUSD made the decision to use Empower Solutions as their implementation partner whom is a technology consulting organization that specializes in technology solutions for state and local government. “The goal for the implementation was to be up and running as quickly as possible hence the reason to take on a "big bang" approach,” says Mr. Casey. “The bulk of the HCM, FMS and portal implementations were completed over an eleven month period.” The finance system went live November of 2003, time and attendance system went live in November and December 2003 and payroll went live shortly after, on January 1, 2004. Mr. Casey goes on to say “the self-service applications were implemented six months later, which took only four months to implement from start to finish.”

Working closely with SDUSD's IT department, Empower ensured a smooth transition to the Portal system that employs the PeopleSoft applications, along with the Student Information System. Large financial reports are pushed through the portal and standard HR reports like vacation balance limit and absentees are available as self-service. SDUSD limits some data sensitive reports for procurement to only budget and finance analysts.

Future Plans

SDUSD will soon be doing an upgrade of their FMS system from PeopleSoft version 8.4 SP2 to 8.9, which would include the consideration of implementing IT Asset Management and Job Costing as a part of the FMS upgrade implementation.

The San Diego Unified School District (SDUSD) serves nearly 133,000 students, and has marked more than 150 years of service to San Diego's children. It is the second largest district in California, and eighth largest urban district in the United States. The student population is extremely diverse, representing more than 15 ethnic groups and over 60 languages and dialects.

Since its founding on July 1, 1854, the district has grown from a small, rented school building with one teacher to its current state—more than 250 educational facilities with 14,555 full-time equivalent staff positions representing more than 15,800 employees. The district's educational facilities include 114 elementary schools, 23 middle schools, 27 high schools, 34 charter schools, and 18 atypical or alternative schools.