

## Appendix G

### University of California Employee Systems Task Force Pacific Bell Report

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1. **How many employees work for the company? What is the profile of the work force, i.e., exempt employees, hourly employees, etc? Is there a large number of union employees? How many payroll schedules, i.e., biweekly, weekly, etc., does the company run?**

The company has a work force of about 45,000 employees. Approximately 14,000 employees are salaried and 31,000 are hourly. There are three unions. Hourly employees are paid on one of two biweekly schedules which are staggered a week apart. Salaried employees are paid on a semi-monthly basis.

2. **Are the payroll and human resources (HR) functions centralized or distributed to departments or divisions? What is the size of the staff assigned to support systems that are run centrally?**

The payroll and HR functions are administered centrally by separate departments. All payroll checks are produced at the payroll office in San Francisco. The payroll staff consists of the supervising manager, 5 line managers, and 55 clerical staff. The five managers supervise the following functions: statewide payroll coordination with field offices; separate payroll processing for the northern sites and the southern sites; payroll deductions for the pension and benefits plans; and tax withholding and reporting.

3. **Are there any platform or workstation issues associated with the new payroll/HR system. For example, must all users of the system utilize a Windows platform?**

No workstation issues have been identified so far. The workstations in the payroll office will be adequate to handle the new system

4. **Will there be a change in business operations as a result of the installation of the new payroll/HR system?**

Yes. The company expects to reduce the payroll staff by 40% with the implementation of the SAP system. Employees in the field will report their own time via their PC or the IVR

system if they do not have access to a PC. Much of the adjustment activity currently done by payroll will be done by departments or by employee service groups.

**5. Are any transactions processed over the Internet? If yes, how is security handled?**

No transactions are processed on the Internet.

**6. Are there separate payroll and HR systems? If yes, how are the systems interfaced? Is there an HR history data base? Is a data warehouse maintained? If yes, what data is stored?**

Separate systems are not maintained, nor is there a history data base or data warehouse. The payroll system includes a personal data system (PDS), which captures employee information. The PDS is available on-line for both inquiry and update by central and field offices. Payroll earnings records, which are maintained on micro fiche, are not available on-line.

**7. Are payroll/benefits/HR records maintained centrally in one location or in separate locations? How are the records stored, i.e., off-site, electronically, etc?**

Payroll records are maintained both in the payroll office and in the field offices. All records are maintained on paper.

**8. Does the company administer its own retirement and benefits programs?**

The pension, medical, dental, vision, disability, and savings programs are administered by third parties. Deductions amounts are provided to the company on monthly files. Employees can enroll in many of the plans via the IVR.

**9. How are employee records accessed and updated by the company and by employees? Can employees access their records electronically? How would an employee update his or her beneficiary, W-4, or health enrollment information?**

Only the PDS can be accessed electronically. Employee have IVR access to their benefits and pension information. Beneficiary changes must be processed on paper. New hires are required to complete and sign a W-4 form; subsequent changes to the W-4 that are not subject to IRS reporting can be made using the IVR. Under State law, however, a new DE-4 must be prepared and signed each time a change is made, according to Pac Bell.

**10. Is there a modeling or projection capability which would allow employees to do W-4, disability, or retirement calculations?**

No.

**11. Do employees have multiple staff appointments which run concurrently? If yes, are such appointments tracked in the payroll system?**

The payroll system includes a labor distribution facility for job costing purposes. Employees, however, do not have multiple appointments.

**12. Is there an automated system to:**

**a.) Calculate bonuses and performance-based pay?**

No.

**b.) Compare salary data against benchmark companies or other survey data?**

The compensation group prepares such data but it is not maintained as part of an automated system.

**13. Is there an automated system to do:**

**a.) Position requisitions?**

No. There is an upgrade and transfer system, however, for posting management and non-salaried staff vacancies.

**b.) Applicant tracking?**

No, although such a system is being considered as part of the new system upgrade.

**14. Is there an automated succession planning or career development system?**

No, but a management development system that tracks employee training and education statistics is maintained

**15. Is there an automated time reporting system?**

Yes. Time reporting is currently done on-line by the field offices.

**16. Is the leave accrual system operated as a separate system or as part of the payroll process?**

Leave accruals are tracked manually outside the payroll system. Employees receive only 5 days sick leave per year. If an employee is on sick leave more than 5 days, he or she is paid through the disability plan. Employees receive a fixed number of vacation days each year, which can not be carried forward. At the end of the year, any unused vacation is paid out to the employee.

**17. Is there a high volume of retroactive pay transactions?**

Yes. Retroactive transactions are processed in connection range adjustments for union staff, overtime, and time reported after the payroll processing deadline.