Purpose and Goals for Discussion

- Provide a current overview of the NewPay Program
- Engage in group discussion
Federal Payroll Landscape – Case for Change

Current Landscape
- Oldest system is over 40 years old
- Long lead times for updates and modifications
- Lack of data interoperability between providers
- Different policy interpretations
- Changes are replicated 5 times
- No common user experience
- Lack of funding model to support routinized IT modernization

Future Business Outlook
- Changing employee demographics & expectations
- Growing cybersecurity vulnerabilities
- Decreasing funds
- Stabile path toward modernization

NEW PAY
- T – TRANSPARENCY AND TECHNOLOGY
- INNOVATION
- MODERNIZATION FOR TODAY AND TOMORROW
- 4E’S –ENHANCED EMPLOYEE EXPERIENCE, ENTERPRISE EFFICIENCY

Between 2003 and 2008, the consolidation of 26 payroll systems to 4 shared services providers, plus the State Department achieved over $1 billion in cost avoidance over 10 years. Since then, there have been no major payroll modernization efforts.
NewPay PMO Team Vision and Mission

**Vision**: A world where employees’ professional experience is consistent and agnostic of time and place across the government.

**Mission**: Demonstrate the application of standards and employ the use of innovative technology to modernize payroll processing and create opportunities for economic efficiencies, and reduce cyber security risks to employee data.
Modernize the way the Federal government processes payroll and time and attendance by aligning policy, processes, data standards, and technology to enhance payroll calculation precision and facilitate a more consistent user/employee experience.
NewPay Program Recap

- GSA awarded NewPay BPA in September 2018
- Task Orders Awarded on September 11, 2019
- HRLoB released Human Capital Information Model v2.1 on October 31, 2019
- M3 templates and samples developed
- Bi-weekly engagement with SSPs and monthly leadership meetings
- NewPay Workstreams: Technology, Policy/Data Standards, Customer Relationship Management, Outreach/Education
Benefits of NewPay

- **Common Standards** - NewPay is built on common capabilities tied to authoritative sources and designed to meet a variety of diverse agency IT requirements, including new and emerging technologies.

- **Software-as-a-Service** - Price based on consumption and builds on economies of scale by pulling negotiating power of multiple agencies. Software updates will be included in subscription price, helping agencies predict expenses and stay modern.

- **Enables Long-Term Planning** - NewPay SaaS solutions will have a ten-year base period and three one-year additional performance based award term periods.

- **Constant Innovation and Modernization** - SaaS by definition provides for constant modernization and updates; the Federal Government will continually be moved to the latest version of the software as updates are completed and not lag behind.

- **Efficiency Gains from Common Data Standards** - Common data standards will allow for, “build it once and reuse it many”. Common data standards will facilitate data exchange across multiple organizations.
Stakeholders are Shareholders in our NewPay Future

**Current Stakeholder Engagement Activities**

- Bi-weekly meetings with current Shared Service Providers (SSPs)
- Participation in SSP Customer Forums
- Routine engagement with HRLOB to support NewPay Data Standards
- Monthly meeting with OPM policy team
- Participation in Federal/Industry events such as the Shared Services Coalition and AGA Shared Services Forum
- Engagement with QSMO Community
- Briefings for OMB and Hill as needed
Using data standards means that the data can be repurposed to solve emerging business problems/opportunities

Using data standards means that the data is commonly understood, has common definition, and is interoperable

We recognize the importance of data standards into the process of delivering a common experience for 2.2 million employees

We recognize the importance of the interconnectivity with other human resources data, financial data, tax data, and other domain data

We recognize that the path to an E2E modernization is through the use of data standards
NewPay Overall Approach - Payroll

- Target baseline – Configure 65 most common pay plans (~89% of fed exec branch employees)
- Phased testing/validation approach to address requirements of the 65 pay plans:
  - Minimal viable product (MVP) will reflect the phased configuration strategy
    - General schedule; (~68% of fed exec branch employees)
    - GSA/GSA customers;
    - SSP common pay plans;
    - SSP-specific pay plans;
- Disciplined approach to testing and development*
  - Incremental approach to testing
  - Technical milestone reviews (e.g. TRR, IATT, ORR)
  - Robust testing, including SSP data and ~2000 user acceptance stories to validate/test and deliver MVP
- Vendors solutions must be FedRAMP compliant to protect PII

*Receiving data from every SSP is critical to effectively testing all plans.
### NewPay Workstreams and Current Activities

**Support Strategic Objective**

<table>
<thead>
<tr>
<th>SSP Engagement</th>
<th>Outreach and Adoption</th>
<th>Strategy and Governance</th>
<th>Data Standards</th>
<th>Technology Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed draft project charter and key planning activities</td>
<td>Designed “Early Adopter” Framework</td>
<td>Initiated design of policy/tech change intake and decision process</td>
<td>HRLoB released Human Capital Information Model v3.0 April 2020</td>
<td>Completed initial configuration based on law, reg, policy</td>
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<tr>
<td>Completed NP FAQ’s</td>
<td>Presentations to 2 SSP CABs, MAESC, initial conversations with potential early adopter agencies</td>
<td>Initiated overall NP governance framework</td>
<td>Designed HR/Payroll Data Standards Information Model reducing resources needed to dvlp, validate, and visualize data stds</td>
<td>Completed pre-production demos w/ inclusion of SSP reps to refine initial understanding</td>
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<tr>
<td>SSP engagement on: DUA, IMS, Payplans</td>
<td>Initiated communications strategy and branding efforts</td>
<td>Established mechanism (JIRA) to track all policy/process affecting tech dlvp</td>
<td>Designed HR/Payroll Natural Language Model to improve the categorizing and reconciling domain values from 4 SSPs</td>
<td>Formulated comprehensive testing methodology</td>
</tr>
<tr>
<td>Established MAX website to share/track EPLC related docs</td>
<td>Presentation to Privacy Officer Council</td>
<td>Developing common cost framework for migration and operations</td>
<td>Partnered with OPM to analyze 4000 domain values across 10 data elements into 1 standard</td>
<td>Working thru Security protocols to facilitate testing data against tech design</td>
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<td>Launched Bi-Weekly SSP Policy dialogue on matters impacting NP technical MVP</td>
<td>Launched Payroll CoP March 2020</td>
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Opportunities for You to Assess, Plan and Prepare

- Agencies should be working with their SSPs now to determine transition timing, impacts to processes and systems, and FY21-FY24 budget estimates.

- Items for Agency Assessment Include (but not limited to):
  - What is most urgent business need - Payroll or Payroll and WSLM/Time and Attendance
  - What type of agency software is being used now to support either of these business capabilities
  - Do you have legacy technologies at your agency which support either of these business capabilities
  - What are your business processes supporting these capabilities today
  - How much time/notification must be given to your current SSP to indicate a move to NP
  - Which pay plans support your current workforce – are there any unique statutory/regulatory requirements associated with those pay plans
  - Agency IT modernization strategy – what is your timeframe and funding model to plan, prepare and migrate

- Agencies should participate in existing SSP customer forums to understand SSP-specific plans to migrate toward NewPay

- Agencies are welcome to reach out to the NewPay Team if you want to learn more
  - Amy.Haseltine@GSA.gov
What Have we Learned Along the Way

- While technology may be part of the solution, it is only one part of the challenge
- Verification that benefits of modern technology are driven by policy, process and standards
- Range of interpretation of policy, process, and decision making authority
- Iterative technical development ensures continuous learning, identifies challenges early to ensure overall progress
- Importance of the 5 C’s – customer, clarity, communication, continuous learning/change, C-Suite
- Embrace, understand, plan to mitigate risk

- 100% learning
- Transparency
- Partnership
- D3
- Resilience
THANK YOU!