



Driving Change in Workforce Management

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As demands for technology in the classroom continue to rise, the administrative systems used by the workforce often get left behind. The culture of the workforce is changing, and school districts are faced with decisions on how to adopt technology throughout the school. Though new technology comes with costs, it also brings opportunities for efficiency, productivity, and visibility. How can technology bring a positive change to aging processes and ultimately contribute to student success?

School districts across the country strive to be at the forefront with innovative ideas and solutions when it comes to educating our students. Technology provides school districts with the necessary opportunities for that innovation. Through the years, we have seen a transformation in the way students are educated, and this is mostly due to the advancement and use of technology in our schools. We have seen the evolution from using chalkboards to whiteboards and now the tech-savvy smart boards that create an advanced and engaging classroom experience. Classrooms across the country have transitioned from textbooks to e-book readers, eliminating the need for students to lug books around. Teachers are embracing technology and creating a learning environment for students with a variety of differentiated instruction methods to keep them alert, engaged, and constantly learning by leveraging apps and other technology advancements.

All of this technology is being leveraged from a curriculum perspective, but many times, back-office and administrative tasks are not considered when looking at how school districts can better serve their students. Antiquated processes are in all departments in schools across the U.S. Human resources (HR), payroll, and finance departments are particularly afflicted with the need for better efficiency measures but have little to no technology to help them accomplish these goals. Keeping track of employees is more than just about paying people correctly and on time. Keeping track of the time that employees work is more than just the traditional “clocking in and clocking out” perspective of workforce management. When a district understands what its workforce is doing, it opens a world of transparency and opportunity that drives better decisions.

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Compliance



Compliance is another area that is often overshadowed by long-standing cultures within school districts. Manually tracking employee hours on paper timesheets can create compliance issues. To be paid, employees can feel pressure to sign off on timesheets completed by supervisors, which can result in a labor-related lawsuit, particularly if there is a violation of the Fair Labor Standards Act (FLSA). An automated workforce management solution in which employees are responsible for punching in and out or recording their attendance, and managers are responsible for giving final approval, ensures all transactions are transparent and fully auditable. Employees must certify that their hours are accurate, and auditors can see who entered, edited, and/or approved each transaction.

Voluntary time is an artificial policy that pops up now and then when an employee works “off the clock,” and this often gets school districts caught in compliance issues. Though they don’t do it intentionally to withhold pay, many managers allow employees to volunteer their time, not realizing it’s a direct violation of FLSA regulations. This happens mainly when an employee is trying to save the district money by not running up overtime costs. It’s a very noble act, but one that can come back to haunt employers if the employee becomes disgruntled.

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Often there is a belief that because employees within the school district are classified as professional or salaried and salaried nonexempt employees, they should not be required to track their time. There is concern from the administration that there will be resistance if they require their employees to be accountable for their time, attendance, and absences. However, media scrutiny of wasteful labor costs continues to plague the public sector, including K-12 school districts. There has been an increase in Department of Labor audits within the public sector. Wage and hour audits are very costly and can have a negative impact on employee performance and morale. With a proper approach to change management, there are simple ways to help transition employees from manual, paper-based processes to a fully automated workforce management solution.

[Washington County Schools](#), in the southeast part of Utah, provides education for 30,000 students in grades K-12. For a long time, the school district's process of collecting time and attendance information from employees was a purely paper-based system. This made compliance with federal labor laws, such as FLSA and FMLA (Family and Medical Leave Act), difficult due to duplicate data entry, errors, and limited reporting. A need for change was imminent, and they decided to move these manual processes of tracking time and leave to an automated solution. Once the transition took place, Washington County Schools began seeing the benefits immediately.



To start, leave balances are now accurately reflected on employees' pay stubs. No longer are there forms to fill out to record leave. It's all recorded right in the system and available to see in real time. Another advantage is the accurate accounting for FMLA eligibility and alerts for potential FMLA qualifying events that take some of the burden off the HR/payroll staff for a more efficient process. Overall, employees are more confident that they are being paid accurately, and they love the visibility into their time and leave balances.¹

¹Washington County Schools: Improving Efficiencies and Compliance While Reducing Costs Using UKG Workforce Management Solution, 2016.



Overtime

School district operations are a must-have, as schools could not operate without bus drivers, maintenance employees, food service staff, or child nutrition employees. These employees ensure that day-to-day operations go smoothly and kids are transported safely; are in a comfortable, safe environment; and are properly fed throughout the day. Most employees providing these exceptional services are eligible for overtime. If a nonexempt employee comes in early or works through lunch, they might incur overtime by the end of the work week. With paper-based records, this would be difficult to catch until it's too late — and repeated instances like this can add up quickly. With a workforce management solution, however, K-12 leaders can set up automated alerts to indicate when an hourly employee is approaching 40 hours or is in danger of working overtime, so managers can plan accordingly — such as by sending the employee home early or adjusting the length of the employee's shift. With a paper-based system, it would be impossible to get a handle on overtime or deal with it before it happens. But with an automated solution, users can spot key trends and respond to potential problems quickly — before they get out of hand.



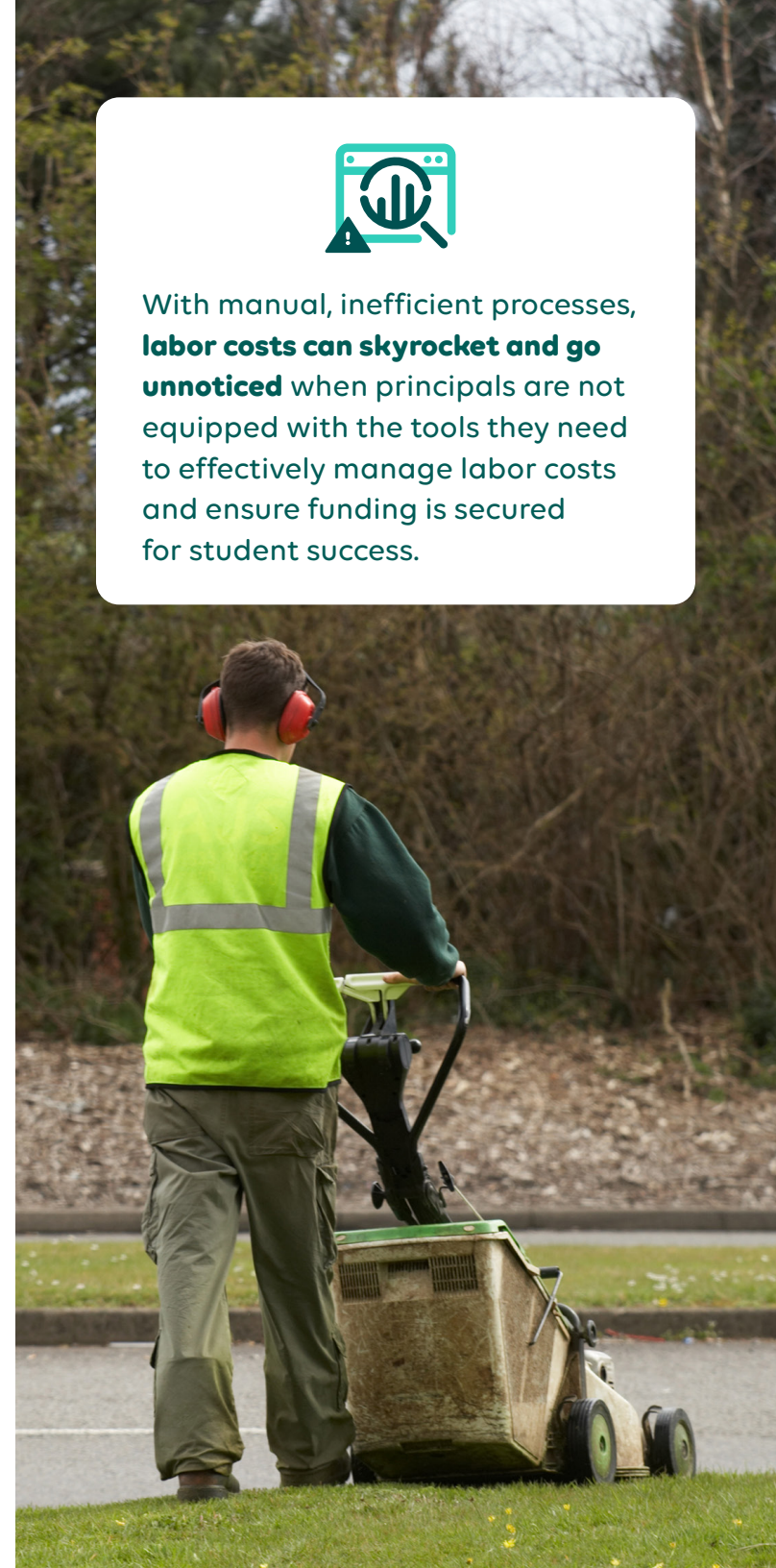
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Per The Journal News, the Nanuet School District spent \$590,000 in additional pay for its building and grounds department within a school year.² An audit report revealed that overtime costs surged by 38% due in part to a lack of control and oversight. School districts across the country have been slow to adopt technology to assist with overtime cost control. Utilizing technology in these efforts can create accountability, efficiency, and the control that principals need in order to manage their workforce more effectively. While districts can quickly be under a spotlight from taxpayers and the media, it is important to realize that principals' main focus is on student achievement. With manual, inefficient processes, labor costs can skyrocket and go unnoticed when principals are not equipped with the tools they need to effectively manage labor costs and ensure funding is secured for student success. By leveraging technology in the transformation of managing employee labor, school districts create automation, efficiency, and complete accountability of employees and districts.

² The Journal News, Nanuet School Overtime Up 39 Percent: NY Comptroller, Jan 8, 2016.



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Grant funding and audits

School districts are funded through a variety of sources, so it is important that districts control labor costs and properly allocate funding. Common funding sources could be local tax revenue, state funding, and federal funding through grants and other initiatives. Because of the way school districts receive funding, they are at a high risk for audits. “The single biggest challenge in effective grants management is that many people don’t record their time and effort on an ongoing basis,” said Deborah Ward, a longtime grants consultant for K-12 school districts. “They might let that slide until the end of the grant period, at which time they are forced to go back and try to recreate this information. But that’s an incredibly difficult thing to do after the fact.”³ If school districts don’t keep careful documentation to support the time and effort their employees spend on grant-funded projects, they could be forced to return funding in the event of an audit, Ward cautioned. Having the proper paper trail on how these funds are being utilized is critically important to ensure continued funding as well as to reduce any audit risks that exist. It is important that school districts are fiscally responsible with every level of funding, but especially with federal grant funds.

³ Deborah L. Ward, *Effective Grants Management*, 2010.



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Deborah Ward
Grants consultant for K-12 school districts



Most grants or federally funded initiatives require controls and proper reporting of expenditures. With this comes record keeping. If school districts do not use technology for this endeavor, it could cost them millions of dollars. Recently, it was found that a large school district in the Northeast did not have adequate fiscal controls in place to account for federal grant funds that were expended during an audit period. The audit found that expenditures totaling over \$100 million from grant funds were either unallowable or inadequately supported. The school district needed strong controls over personnel expenditures charged to federal grant funds. Being able to ensure that labor is being properly tracked and allocated to the proper grants or funding sources is critical to ensure compliance. It is critically important for districts to control costs and track funding so that more time and money can be spent in the classroom and the district does not lose funding. If school districts do not comply, this could result in their having to pay back those funds as well as the elimination of any future funding. Most of these federal grant funds go to initiatives, such as tutoring and other enrichment programs, that directly impact student success.



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Extra-duty time

More and more programs are being introduced in schools before and after school to keep the kids off the streets and in a safe environment. Extra duty and grants play a role in this endeavor by allowing school districts to fund additional support for students. Teachers may provide tutoring before or after school or allow students the opportunity for additional learning or extracurricular opportunities, to name just a few. In order for school districts to provide this extra focus on student achievement, funding must be secured for these initiatives. One direct funding source for this is through federal grants. Reporting is a huge aspect of any grant fund, and not having technology in place to track the expense of these funds could be costly. It is important for districts to consider implementing a workforce management solution to track extra-duty time, create an efficient and auditable process to record extra-duty time worked, and ensure proper recording on the back end. Without this in place, a lot of time is spent in administrative tasks tracking this, and even then, this might not be enough for the record-keeping requirements.

[Garland Independent School District \(ISD\)](#) is a public school system in Texas with more than 7,000 employees. The district found tracking and paying employees, including teachers, who worked extra-duty time a difficult and tedious task. With hundreds of supplemental pay codes, it was nearly impossible to report back on labor allocated to grants. Weary of manually tracking extra duty, Garland ISD decided to automate this process with a time and attendance solution. Now, when employees clock in and out, they choose job and pay codes from a drop-down menu that corresponds with their duty. By streamlining the process, Garland ISD was able to gain better visibility into these costs and saw an almost 40% reduction in supplemental pay costs over three years. Now, at the touch of a button, the school district can run a report accounting for all labor costs associated with the state or federal grant fund supporting a particular extra-duty job. Knowing where the dollars are spent is a lot easier.⁴

⁴Garland Independent School District Improves Productivity and Labor Cost Control with UKG Solution, 2014.



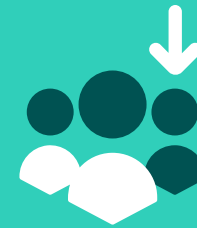
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Impacts of absenteeism

Links between teacher absenteeism and student outcomes have been brought up in recent studies. In order for students to continue the evolution of learning and stay engaged and focused, teachers must be in the classroom. When teachers are absent, students are not learning and can easily become disengaged. Teacher absenteeism could be because of personal reasons, professional development reasons, or a combination of both. It is estimated that each 10 days of teacher absences reduces students' mathematics achievement by 3.3% of a standard deviation. Teachers, on average, work about 180 to 190 days per year, and their being out of the classroom 10 days can be detrimental to student success. School districts must track this to ensure teacher absenteeism is not directly linked to poor student performance, which can impact students' future growth. Utilizing technology to track absences is a step toward providing principals and other curriculum leaders with the information they need to track this data and be held accountable for ensuring student success.

How effective are your district's substitute teachers? Do they have enough content knowledge to deliver instruction when a regular teacher is out? Are they skilled at classroom management, or do they struggle to keep students on task?

There often can be a wide disparity in the skill levels of a district's substitute teachers — but a workforce management solution can give K-12 leaders valuable insight into the effectiveness of these employees. By looking at workforce data, administrators can determine how a teacher's absence affected student behavior or achievement. For example, based on correlations between the days that substitute teachers worked and corresponding disciplinary infractions, administrators can learn which substitute teachers seem most effective at keeping students focused.



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Full-time/part-time analysis to determine healthcare benefits

An important aspect of the Affordable Care Act (ACA) is that it expands health insurance coverage by changing the definition of a “full-time employee” to someone who works at least 30 hours per week instead of 40 hours. To avoid penalties, employers with at least 50 full-time employees must offer coverage to at least 95% of these employees and their dependents. This Employer Responsibility Rule went into effect in 2015 for employers with 100-plus employees, and it went into effect in 2016 for employers with 50 to 99 employees.

The law requires K-12 leaders to pay close attention to who works an average of 30 hours or more per week, which imposes significant new data-tracking requirements on their school districts. The Employer Responsibility Rule contains various provisions and shortcuts for determining who is a full-time employee under the law as well as how employees’ hours may be counted. Substitutes may now be eligible for healthcare benefits under the ACA. Historically, a substitute’s job has been considered a part-time position ineligible for benefits. Substitutes fill in when teachers and other employees who have direct contact with students are absent. Under the ACA, substitutes could be eligible for benefits if they work and exceed a certain hourly threshold as determined under the law. This could create additional expenditures for school districts as well as costly penalties if the payments are not properly tracked.

Another component of tracking substitutes’ time worked is how they are funded. Most districts leverage the funding source of a teacher to compensate the sub who filled in for the day. Doing this without technology can be a time-consuming and inefficient process. Some school districts have substitutes allocate their time worked on the teacher’s timesheet to provide ease of data entry and allocation to the correct funding source. While this creates some simplicity, when it comes to the ACA and the FLSA, it can create challenges. It is important that all time worked by that substitute be recorded on one timesheet. This is to ensure compliance with the FLSA and now the ACA. However, ensuring the proper funding source is charged is equally important. Utilizing technology in this process creates ease of use for all involved. In addition, technology use provides assurance that districts can comply with all applicable laws and be able to provide the level of reporting necessary.



[Katy Independent School District \(ISD\)](#) in Texas, one of the fastest-growing school districts in the state, is home to more than 70,000 students and 13,000 employees. With a large workforce comes a greater need for substitutes, including substitute teachers. After the ACA was introduced, Katy ISD was concerned about capturing all substitute hours worked. A look-back period was needed to view, on average, how many hours employees were working per week and whether they were eligible for healthcare benefits. Originally, the risk management department tried

to calculate these hours manually, but it quickly became apparent that this was too labor-intensive.

Katy ISD turned to an automated report through their time and attendance solution to analyze the full-time/part-time mix as part of their compliance strategy. It now takes only a couple of hours for the risk manager to analyze this, as opposed to a couple of days prior to automation.⁵



⁵Katy ISD: Boosting Productivity and ACA Compliance with Automated Kronos Workforce Management Solution, 2016.

Emergency response plans

It is becoming more and more apparent that security in our schools should be a focus. Emergency preparedness should include knowing which students are present but also which staff are on the premises at each school. Most districts have a process in place to track student attendance and tardiness. However, most districts do not have an efficient and easily reportable process in place to account for employee attendance. As we see the need for emergency preparedness programs in schools, it is important to consider leveraging technology to track employee attendance so that in the event of an emergency, personnel will know immediately which students and employees are present so they all can be accounted for. Workforce management solutions provide this preparedness.

Conclusion

Labor is one of the largest operational expenses for any school district, but it's also the most important one. Creating an environment that allows employees and leaders to spend less time on administrative duties and more time dedicated to students provides an ideal experience for everyone. Keep in mind, too, that powerful and intuitive technology also helps recruit and retain employees. A candidate may consider one school district more innovative than another and have this be part of the decision-making process.



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