

**ACTIVITY REPORTING AND PROPOSAL FORM**  
**JUDICIAL COUNCIL DIRECTIVES**  
**AOC RESTRUCTURING**

<b>DATE</b>	10/5/2012
<b>PREPARED BY</b>	Olivia Lawrence
<b>OFFICE NAME</b>	<u>Trial Court Administrative Services Office</u>
<b>JUDICIAL COUNCIL DIRECTIVE NUMBER</b>	131
<b>JUDICIAL COUNCIL DIRECTIVE</b>	7-48. E&P recommends that the Judicial Council direct the ADOC that, subject to available resources, trial court use of the Phoenix HR/Payroll functionality should remain optional to individual trial courts.
<b>SEC RECOMMENDATION</b>	The Phoenix Financial System is in place in all 58 superior courts; however, trial court use of the Phoenix HR/Payroll functionality should remain optional to individual trial courts.
<b>RESPONSE (check applicable boxes)</b>	
<input checked="" type="checkbox"/> This directive has been completed and implemented: Trial court use of the Phoenix HR/Payroll functionality remains optional to individual courts, subject to available resources. See attachment for further details.	
<div style="border: 1px solid gray; padding: 5px; width: fit-content;">  <p>Item #131 Attachment.pdf Adobe Acrobat Document 33.7 KB</p> </div>	
<input type="checkbox"/> This directive is forwarded to the Judicial Council with options for consideration: <div style="border: 1px solid gray; height: 20px; width: 100%; margin-top: 5px;"></div>	
<div style="border: 1px solid gray; padding: 5px; width: fit-content;">  File Attachment         </div>	
<input type="checkbox"/> Other: <div style="border: 1px solid gray; height: 20px; width: 100%; margin-top: 5px;"></div>	
<div style="border: 1px solid gray; padding: 5px; width: fit-content;">  File Attachment         </div>	
<b>TIMELINE AND RESOURCES FOR IMPLEMENTATION</b>	
<b>IMPLEMENTATION</b>	

<b>DATE OR PROJECTED IMPLEMENTATION DATE</b>	<input type="text"/>
<b>RESOURCES REQUIRED FOR IMPLEMENTATION</b>	<input type="text"/>
<b>ADDITIONAL IMPLEMENTATION INFORMATION (complete only applicable sections)</b>	
<input type="checkbox"/> <b>PROCEDURES/ POLICIES UPDATED OR DEVELOPED</b>	<input type="text"/> <input type="button" value="File Attachment"/>
<input type="checkbox"/> <b>TRAINING UPDATED OR DEVELOPED</b>	<input type="text"/> <input type="button" value="File Attachment"/>
<input checked="" type="checkbox"/> <b>SAVINGS</b>	<p>Savings from Phoenix System implementation applies to the courts and would be computed on a case by case basis and may depend on such factors as the size of the court.</p> <input type="text"/> <input type="button" value="File Attachment"/>
<input checked="" type="checkbox"/> <b>COST</b>	<p>Phoenix System deployment costs have historically been borne by the AOC. See attachment for further information.</p> <div style="border: 1px solid gray; padding: 5px; width: fit-content;">  <p>Item #131 Attachment  Cost.docx  Microsoft Office Word Document  471 KB</p> </div>
<input type="checkbox"/> <b>EFFICIENCIES</b>	<input type="text"/> <input type="button" value="File Attachment"/>
<input type="checkbox"/> <b>SERVICE LEVEL IMPACT</b>	<input type="text"/> <input type="button" value="File Attachment"/>
<input type="checkbox"/> <b>OTHER</b>	<input type="text"/> <input type="button" value="File Attachment"/>
<b>ADMINISTRATIVE DIRECTOR OF THE COURTS (ADOC) REVIEW AND APPROVAL</b>	
<b>ADOC REVIEW</b>	Administrative Director of the Courts Review Date: <input type="text" value="10/5/2012"/>
<b>EXECUTIVE AND PLANNING (E&amp;P) COMMITTEE REVIEW</b>	

**E&P REVIEW**

Executive and Planning Review Date:

## Status of Phoenix Payroll System Deployment Activity

October 2012

The following is information regarding the status of payroll deployment activity and an identification of the courts that have expressed an interest in having their payroll functions performed by the Phoenix System and the Judicial and Court Administrative Services Division.

Trial court use of the Phoenix Human Resources functionality remains optional to individual courts. However, deployment activities for payroll were suspended after the Phoenix Program suffered severe budget reductions (53%), equal to approximately \$23 M over the course of recent years.

Listed below are courts having expressed some level of interest in being included in future payroll deployments. The lack of funding has prohibited the possibility of an affirmative response from the AOC.

San Diego	Fresno	Monterey
Kern	Merced	Yuba
Alpine	Alameda	Orange
Trinity	San Joaquin	

These expressions of interest were unsolicited by the AOC, and several of the courts have been extremely vocal at either the Trial Court Budget Working Group meetings and/or the Court Executive Advisory Committee (CEAC) meetings. Although the Phoenix Financial System has been deployed to all 58 courts, the Phoenix payroll system has only been deployed to the 7 courts noted below:

Sacramento	Stanislaus	Lake
Siskiyou	Santa Cruz	Riverside
San Bernardino		

The Phoenix Program was approved in a Department of Finance budget change proposal for the 2008–2009 fiscal year. Prior to the budget reductions, the overall program envisioned deploying all of this functionality to the trial courts over a 5-year period with an authorized budget of \$43 M over this time span. The downturn of the economy resulted in almost immediate budget reductions, eventually culminating into a reduction of nearly \$23 M as noted above. These budget reductions have suspended the program’s ability to provide an “enterprise resource program” as originally envisioned for the benefit of the courts.

The AOC’s goal is to provide a uniform process of financial management and human resources services to all of the trial courts in California. It is significant to note that if the fully integrated solution comes to fruition, the current and constant need to do a multitude of manual surveys

with the trial courts would be virtually eliminated. The information would largely be captured in the Phoenix System and would enhance the courts' ability to manage and direct their resources.

Of further interest is that the executive branch *payroll* project, called the 21st Century Project, being implemented by the State Controller's Office is on the same SAP platform as the Phoenix System. It may make good business sense to explore bringing the Supreme Court, Appellate Courts, Habeas Corpus Resource Center, and the Administrative Office of the Courts onto the Phoenix System to furnish the judicial branch its own integrated system, rather than have it be a small player in the executive branch system that has yet to be proven.

Below is a representation of the current payroll scope of services and benefits of the Phoenix HR System, as well as additional requested "human capital management" functionality that courts have expressed a desire to obtain. They have also expressed an interest in acquiring additional financial functionality such as asset accounting, inventory management, and travel management.

### **Current Phoenix HR/Payroll Scope of Services**

- Organizational Management
  - Used to maintain organizational hierarchy
  - Includes Org Units, Positions, Job Classes, Compensation Structure
  - Basis of reporting relationships and workflow
- Personnel Administration
  - Used to maintain employee master data
  - All details required to support Personnel and Payroll Administration
- Time Management
  - Used to record, evaluation, transfer time records
  - Used to manage leave accruals
- Benefits Administration
  - Used to maintain employee/dependent health and welfare plans and associated costs
- Employee Self-Service
  - Allows employees access to maintain time records and limited master data
    - View Pay Statements
    - Update Timesheet
    - Update Bank Details
    - Update Dependents/last paycheck and beneficiary declaration
  - On-line Benefit Enrollment
- Manager Self-Service
  - Approve timesheet and absence request through automated workflow
  - View attendance records, leave balances, organizational data for employees
  - View other HR/Organizational reports for subordinates
- Payroll
  - Used to process payroll from gross to net and post to General Ledger (GL)

- Prepare and process retirement system contributions
- Complete payroll benefit reconciliations
- Prepare and process payroll vendor payments

## **Benefits**

- Fully Integrated HCM/Finance System
  - Automatic real-time postings to Phoenix GL
  - Ability to easily code time worked to Projects for accounting
  - Automated interfaces to benefit providers
  - All judicial branch Data in one system
  - Reduced cost/effort to support similar/redundant solutions
  - Leverage existing best-practice processes
  - Flexible real-time reporting and analysis
- Mature Support Model
  - Super-user strategy
  - Communication strategy
  - Change control
- Proven Deployment Strategy
- Attention to Local and Branch requirements (especially as compared to external third parties, other state projects, or county legacy systems)

## **Other Requested Phoenix HR/Payroll Services**

- Budget preparation including Personnel Cost Planning
- Talent Management
  - Performance Management
  - Learning Management Solution (Training Enrollment and Requirements Tracking)
- Miscellaneous improvements to Self-Service functionality

# Deployment Requests

- Eleven (11) courts have expressed unsolicited interest
- Costs based on 2008 deployment contract:
  - Large.....\$882,106
  - Medium.....\$384,919
  - Semi-Small..\$111,424
  - Small.....\$141,137
- Recent draft proposals\* for deployment requests:
  - Fresno.....\$828,000
  - Alpine.....\$ 80,000

Court	Size Category (FTE)
Alameda	Large
Yuba	Semi-small
Alpine	Small
Merced	Semi-small
San Diego	Large
Monterey	Medium
Fresno	Medium
Kern	Medium
Orange	Large
Trinity	Small
San Joaquin	Medium

\*Draft proposals represent informal discussion of specific court deployment and departure from normal deployment strategy at Courts' request during no-deployment period. For example, a solution outside of Phoenix was implemented for Alpine. Note: The AOC has historically borne all deployment costs; several courts have raised the possibility of sharing the deployment cost.