

Johns Hopkins Enterprise Service Level Agreement

Agreement Published Date: May 2008

Service Level Agreement

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General Information

Purpose

The purpose of this SLA is to establish a cooperative partnership between the Johns Hopkins Payroll Shared Services and its customers. This SLA will:

- outline services to be provided and working assumptions between Shared Services and its customers;
- quantify and measure service level expectations;
- outline the potential methods used to measure the quality of service provided;
- define mutual requirements and expectations for critical processes and overall performance;
- strengthen communication between shared service providers and its customers; and
- provide a vehicle for resolving conflicts.

Vision

The Hopkins' Shared Services provides a shared business environment for the Johns Hopkins University and Johns Hopkins Health System. The new business environment will continuously enhance service, compliance and productivity to its customers and core business practices. The primary goals for the service centers include:

- **Integrate** people, processes, and technology to provide a balanced service level to all customers. Create a collaborative environment where trusted relationships and teamwork are encouraged between administration, departments, clinical areas, institutions and suppliers to further Enterprise goals.
- **Leverage** human resources, institutional knowledge, developing skill sets, and technology in an effort to continuously improve service and productivity for all Service Centers. Create an organizational structure that balances strategic and tactical efforts that promote efficiencies.
- **Mitigate** risk to the Hopkins' enterprise by focusing on compliance requirements and understanding the impact these requirements have on productivity and customer service. Develop an integrated organizational structure that will promote the consistent interpretation and enforcement of policies, procedures, local, state and Federal laws and regulations throughout the Enterprise.

Service Performance

Mission

Payroll Shared Services is a business area dedicated to operational and customer service excellence:

- Efficiently provide timely, accurate payments of salary/wages, fellowships, and deferred compensation to employees, fellowship recipients, and beneficiaries, respectively.
- Comply with federal, state and local tax laws for tax withholding, garnishments and remittances.
- Provide first-rate customer service to faculty, staff, students, and beneficiaries, and collaborate with administrative colleagues to achieve the highest service level possible.

Scope

Payroll Shared Services shall provide services to the Johns Hopkins Health System including Howard County General and the Johns Hopkins University excluding the Applied Physics Laboratory. Services will include:

- Payments of salary/wages, fellowships¹, and deferred compensation to employees, fellowship recipients, and deferred compensation beneficiaries², respectively,
- Compliance with federal, state and local tax laws for tax withholding, garnishments, and remittances.
- Time collection integration with CATS (SAP), Kronos, and Nightingale
- Position Budget Control for encumbrances
- Postings to finance and to accounts payable
- Integration with Human Resources, Benefits, Tax, Sponsored Projects, Accounts Payable, and Finance

Hours of Operations

Payroll Shared Services office hours:

7:30 am - 5:00 pm, Monday through Friday

Closed Friday after Thanksgiving unless a bi-weekly payday³

Open on University commencement day (floating holiday for University staff)

University closings – schedule of University staff required to work will be published to the staff.

¹ Fellowship payments are generally paid through Payroll; however, for certain programs, fellowship payments are paid as a lump-sum through Accounts Payable.

² Deferred compensation payments under QDRO will be paid through Accounts Payable.

³ JHHS staff will use PTO if closed on that Friday; University staff will have an alternate holiday if scheduled to work on that Friday.

Working hours may be adjusted due to system/power outages, emergency situations, or disaster.

Service Expectations

Payroll Shared Services and its customers agree to the service expectations and working assumptions listed below. These service expectations are meant to monitor the more critical elements of the services provided and are not meant to reflect the comprehensive services offered by the Payroll Shared Services. The productivity indicators reflected below are not listed in any order of priority.

Process	Service Expectation	Service Metric <i>(how will this be measured)</i>
Payments issued by payroll will be processed according to pay areas: weekly, bi-weekly and semi-monthly	Payments will be accurate based on information at the time of processing. Payments will be on time.	Pay checks/advices are produced for pay day. ACH files for direct deposit are sent timely. Positive pay files are sent to the bank timely.
Interfaces from Kronos and Nightingale will be complete and available on time from Kronos and Nightingale. Time entry in CATS will be completed on time by departments/units. Time evaluation will be processed according to the published schedule.	Time evaluation will be completed on time for payroll processing.	Time evaluation is completed on time to complete payroll processing.
Post finance and accounts payable for third party remittance postings after each payroll.	Postings will be 2 days before the pay date for JHU semi-monthly.	Transactions are posted timely.
Process garnishments and related remittances timely.	New and changed court orders will be processed by the payroll cut-off unless received within 3 days of the cut-off.	Backlog of unprocessed court orders are monitored by management.
Off Cycle payment requests received by 10:00 a.m. will process the same day provided that hours have been received from CATS, Kronos, and Nightingale or that the ISR has been processed. Note: off cycle	Off cycle payments will be issued daily.	Off Cycle checks/advices are produced daily. ACH files are sent daily. Positive pay files are sent to the bank daily.

payments cannot be made when payroll is processing.		
Position Budget Control for cost object validation and encumbrance will be processed nightly.	Errors will be worked daily. HR and Sponsored Shared Services assist with error resolution.	PBC errors will be resolved before semi payroll processing is completed.
Process JHHS PTO and vacation payouts for terminated bi-weekly employees.	Vacation will be paid out by the 2 pay periods after the termination is processed.	Vacation is paid out timely.
Correct any errors during payroll processing in coordination with HR and Sponsored Shared Services .	Payroll errors will be resolved on time.	Payroll is accurate based on data provided and is processed on time.
Perform periodic master data reviews for completeness and accuracy.	Data will be validated for accuracy and completeness. Any corrections will be communicated to HR Shared Services regarding the types of errors and corrections needed related to employee master data and benefits.	
Perform retro calculation and processing for transactions prior to the implementation date.	Transactions will be by the payroll cut-off unless received within 3 days of the cut-off.	
Control overpayments and payroll claims.	For each payroll area, claims will be reviewed and overpayment advances will be used to clear claims. Payroll will process repayments either via payroll deductions or checks from employees. Payroll will coordinate collections per department request. (pending discussion)	Overpayments are monitored by management.

Process special earnings and deductions, for example severance payments.	As needed, special earning and deductions will be processed.	
Investigate outstanding checks for JHU.	Generally, this will be done for check outstanding more than 6 months.	Checks more than 3 years old are reviewed and reported for escheatment.
Prepare payroll data for W-2 processing by tax offices.	Adjustments will be processed and coordinated with the JHU and JHHS tax offices on time.	Tax forms are ready to be processed on time
Complete employment and NRSA verifications	Verifications will be completed within 3 days; for NRSA within 3 days of correct labor distribution.	Verifications are completed timely
Answer phone calls and emails	Phone calls and emails will be answered daily.	Timely customer service. Call volumes will be monitored.
Process tax, I-9 and direct deposit forms.	Forms received by the published cut-offs will be processed the that payroll processing	Forms are processed accurately and timely
Coordinate certain 3 rd Party Remittances, printing reports to be sent with payments from AP.	Payments will be sent on time.	Payments are sent on time.

Working Assumptions

Payroll Shared Services will be adequately staffed, funded jointly by JHHS and JHU, and supported by the HopkinsOne Support Maintenance Organization.

Payroll cut-off/run dates will be coordinated with HR Shared Services and will be on the web. Departments/units will adhere to the published cut-off dates.

Cut-offs for year end tax reporting will be coordinated with the JHU and JHHS tax offices.

Third party remittances for taxes are managed by the JHU and JHHS tax offices and for benefits, by JHU, JHHS and JHBMC benefits administrative offices.

Service Constraints

- **Workload** - Increases in workload, such as back log due to power outages, or staff turnover may result in temporary reduction of service level delivery.
- **Conformance Requirements** - Finance policy changes and Internal Revenue regulations may alter procedures and service delivery timeframes.
- **Dependencies** - Achievement of its service level commitment is dependent upon customer compliance with deadlines as well as the policies and procedures of the Johns Hopkins Enterprise. Support from the Support Maintenance Organization is paramount to the success of Payroll Shared Service.

Terms of Agreement

This agreement began on January 1, 2007 with the mutual understanding that modifications may be required over time. Any and all modifications will be made in the spirit of the original Agreement and must be reviewed by representatives of Payroll Shared Services customer base. A formal review of this Agreement and published modifications will occur on an annual basis.

Periodic Quality Reviews

Payroll Shared Services and representatives of its customer base will conduct periodic reviews of the Service Center's performance against agreed-upon service level expectations. The agenda for these reviews should include, but is not limited to:

- service delivery since the last review;
- major deviations from service levels;
- conflicts or concerns about service delivery;
- planned changes to improve service effectiveness, and
- negotiation of changes to the Agreement.

The Payroll Shared Services will also periodically assess customer satisfaction and will use the results as a basis for changes to this Agreement.

Service Level Agreement Maintenance

This Agreement will be reviewed on an ongoing basis and updated as needed. Revisions may become necessary due to changing service needs, modifications to existing services, addition of services, significant variations from agreed upon service levels, or unanticipated events.

Issue Resolution

If either Payroll Shared Services or its customers identify a substantive breach of responsibility or other problem that requires resolution prior to the next periodic review, both the Shared Services management and customer(s) will engage in a joint effort of understanding and rectification of the issue. In the event this remedial effort fails, either party can raise the issue to the Office of the Controller of JHHS and/or JHU. Decisions made by the Office of the Controller, will be binding.