



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Tuesday, February 26, 2002
MSG-017

MEMORANDUM FOR: Heads Of Executive Departments And Agencies

FROM: Kay Coles James, Director

Subject: Integrated HR/Payroll Processing System

In a December 21, 2001, memorandum to agency Chief Financial, Information and Human Resources Officers, the Office of Management and Budget (OMB) designated the Office of Personnel Management (OPM) as the "managing partner" for the modernization of HR/Payroll systems and processes across Government. OMB's memorandum, which was signed by Mark Everson, Controller, and Mark Forman, Associate Director for Information Technology, directed OPM to provide a business case in March 2002 for achieving Governmentwide HR/Payroll standardization, consolidation, and integration (e-HR/Payroll). This memorandum discusses the next steps for developing the business case.

E-HR/Payroll

The e-HR/Payroll initiative reflects the Administration's vision to modernize Federal payroll systems and delivery across Government. This initiative is included under the Internal Efficiency and Effectiveness steering group of the "e-Government" effort. OPM and OMB are fully committed to the success of this top-priority Administration initiative.

Developing the Business Case

I invite you to partner with OPM in the development of e-HR/Payroll. We recognize that developing the business case will require a truly collaborative effort by the agencies, OMB and OPM officials, and other stakeholders. We are committed to working closely with our agency partners and stakeholders to ensure that the business case reflects the group's commitment to e-HR/Payroll.

In addition, I am pleased to announce that we have arranged to obtain the services of Tom Caporizzo, of the Defense Finance and Accounting Service (Military and Civilian Pay Operations), to lead the development of the business case for HR/Payroll integration and standardization (e-HR/Payroll). Mr. Caporizzo will be assisted by contractors, OPM staff, and our agency partners.

Payroll Point of Contact

Within the next week, we will be requesting information on the costs of administering and maintaining the payroll systems from each of the 14 agency payroll systems listed below. Because of the tight timeframe within which we are working, we will need the name of a senior payroll official who is authorized to provide this information within a very short deadline. Please provide the official's name; agency; office, cell, and fax telephone numbers; and email address. **Please send this information by email to Jo Ann Perrini at payleave@opm.gov no later than February 28, 2002.**

Defense Finance & Accounting Service (DOD)	National Finance Center (USDA)
Department of Energy	Department of State
Environmental Protection Agency	Department of Transportation
General Services Administration	Department of Veterans Affairs
Department of Health and Human Services	National Aeronautics and Space Administration
Department of the Interior	National Science Foundation
Department of Labor	Nuclear Regulatory Commission

HR/Payroll Steering Committee

We plan to invite representatives from the Human Resources Management Council, the Human Resources Technology Council, the Chief Financial Officers Council, the Joint Financial Management Improvement Program, and OMB to join a steering committee to provide their comments and assistance throughout the development of the business case.

We look forward to working with you on this high visibility effort to transform the way the Federal Government does business.