

PERSONNEL AND HIRING COMMITTEE REPORT relative to integrating all labor agreement terms for both the Los Angeles Fire Department (LAFD) and Los Angeles Police Department (LAPD) into the City's new payroll system.

Recommendation for Council action, as initiated by Motion (Rodriguez – Lee):

REQUEST the City Controller and INSTRUCT the City Administrative Officer (CAO), with the assistance of the Information Technology Agency, to report on the following:

- a. The current status of integrating all labor agreement terms for both the LAFD and LAPD into the City's new payroll system.
- b. Challenges or technical limitations delaying implementation.
- c. A timeline for full integration and expected completion dates.
- d. Steps that are being taken to prevent errors or delays in future payroll updates.
- e. Additional resources or system upgrades that may be required to ensure smooth implementation.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On March 14, 2024, your Committee considered a Motion (Rodriguez – Lee) relative to integrating all labor agreement terms for both the LAFD and LAPD into the City's new payroll system. According to the Motion, when terms of a new Memorandum of Understanding (MOU) are not properly integrated into a payroll system, City employees can face serious financial and workplace challenges. One of the most immediate and significant issues is incorrect pay and benefits. Employees may not receive negotiated salary increases, bonuses, or special pay adjustments on time, which can lead to financial hardship, especially for those who rely on consistent paychecks. Errors in payroll processing may result in incorrect deductions for taxes, pensions, union dues, or benefits, potentially causing financial complications or even loss of coverage.

Additionally, the burden of manually correcting payroll errors places unnecessary strain on administrative staff. Payroll departments must spend significant time addressing complaints, making adjustments, and ensuring compliance, leading to inefficiencies and wasted resources. As the City transitioned from PaySR to Workday, it appears that the LAFD and the LAPD have faced the most payroll-related challenges. Due to the more complex factors including overtime, shift differentials, and special duty pay, just to name

a few, the City has struggled to integrate these components into the new payroll system. Off-duty assignments, sick leave policies, and injury compensation further complicate payroll input. Ultimately, ensuring that these new terms are properly integrated into the payroll system is not just a matter of compliance but also one of fairness, efficiency, and maintaining a stable and motivated workforce. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion, as amended. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Personnel and Hiring Committee

COUNCILMEMBER:	VOTE:
McOSKER:	YES
RODRIGUEZ:	ABSENT
HUTT:	YES

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3/14/25

-NOT OFFICIAL UNTIL COUNCIL ACTS-