

From Paper Runs to Audit-Ready: How Hallsville ISD Fixed Supplemental Pay and Built Something Bigger

A rural Texas district with 4,900 students decreased supplemental pay cycle time, eliminated audit exposure on federal and state-funded pay, and expanded a finance deployment into a platform that now runs district-wide.

Weeks → 2 days

SUPPLEMENTAL PAY
CYCLE TIME

Zero

OVERTIME TO CLOSE
PAYROLL

District-wide

FROM FINANCE TO
EVERY DEPARTMENT

CHALLENGE Paper-based supplemental pay with no visibility into form status, missed pay deadlines, and no audit trail

SOLUTION Informed K12 digital workflows with real-time approval tracking, timestamped audit trail, and Skyward integration

The Auditor Who Knew Exactly What Was Missing

Mary Brown spent 15 years in public accounting and industry before moving into school finance, including time as a school auditor. She arrived at Hallsville ISD in 2017 knowing precisely what a defensible record looked like and what it required to produce one.

She discovered a supplemental pay process running entirely on paper across seven campuses spread miles apart in rural northeast Texas, with forms moving by “pony express” between buildings. When a form sat on a desk, payroll did not know if it existed until received, and when an employee called asking where their pay was, the search through stacks of papers began.

Three years after implementing Informed K12, Hallsville has cut supplemental pay cycle time from weeks to two business days, built an audit trail that satisfies state and federal funding compliance without manual file pulls, and expanded the platform from a finance and HR deployment to a district-wide system that every department now uses.

“We have no idea that paper even exists until it was received by us in time for payroll. There was no tracking of when a form was started, when it should be paid, or when that employee was expecting to be paid.”

MARY BROWN Assistant Superintendent of Finance, Hallsville ISD

The Stakes Behind a Missing Form

Hallsville's supplemental pay covers professional development stipends, extra duty, and other compensation outside of regular contracted hours. Like most districts, it represents a small fraction of total payroll volume. Also like most districts, it consumed a disproportionate share of payroll staff time, generated the most employee calls, and carried the most compliance risk.

The district receives supplemental pay from federal, state, and local funding sources, each with its own approval requirements. The audit trail is whatever a payroll specialist can reconstruct from a stack of documents on request. Mary, a former school auditor, knew what that meant when an auditor asked a pointed question about a federal program disbursement.

The operational picture was equally frustrating. Without any visibility into the approval pipeline, payroll could not tell employees where their pay was or why it had not arrived. When forms finally arrived, staff manually reconciled them against payroll batch entries.

“It was a lot of frustration, a lot of people in our offices running around, literally down the hall, looking through stacks and stacks of paper,” Mary said. “We were getting calls from employees saying, Where's my pay?”

What Made the Decision

Mary had been actively looking for a solution before she encountered Informed K12 at the Texas ASBO conference, where she heard from other districts already using it.

“I love walking through the big rooms filled with vendors,” she said, “but it’s hard to really get that conversation and hear from other districts. What was really impactful to me was hearing from people ready and willing to talk about the program and the impact it had made.” She went back the next day and told her HR director to call Informed K12, who was also looking for solutions for her department, too.

In the evaluation, Hallsville compared several options, including tools they already used. Informed K12 was the most cost-effective. More importantly, it was the most flexible. It was not purpose-built for a single department or a single workflow type and that flexibility was essential to a business office considering a platform investment against a tight budget.

The question of whether the ERP could handle this came up. Hallsville uses Skyward as their system of record to store and report on finalized data. Informed K12 sits alongside, handling the collection, routing, validation, and correction that happens before data is ready to enter into the ERP.

“We went into it looking for an efficient, paperless solution. As we got into working with this system, we realized how beneficial it was going to be from an audit compliance standpoint.”

MARY BROWN Assistant Superintendent of Finance, Hallsville ISD

What Changed on the Business Side

Supplemental pay now runs on a defined timeline with full visibility at every step. Payroll can see how many forms are in each approval stage at any given moment, identify which ones are at risk of missing the monthly cutoff, and send reminders directly from the system. Reconciliation shifted from a manual check of physical documents to a CSV export that payroll runs against the Skyward batch side by side.

Mary described the result directly: “You have visibility into all forms you should have and the ability to reconcile to the penny very quickly.”

After each payroll cycle, processed forms are archived. The view resets for the next period, and the risk of processing a form twice drops to near zero.

The audit compliance piece was the outcome Mary had not fully anticipated. Because every approval step carries a timestamp and an identified approver, she can now pull a complete approval record for any payment herself. And, she has trust that complex payments from federal and state-funded pay categories are accurate. “When my auditors ask, when was this approved and how, I can go into Informed K12. I don’t even have to go ask my payroll specialist to pull that physical file. I can pull all of that information and supporting documentation to provide for them.”

Beyond Finance: A Platform the Whole District Uses

Hallsville started with supplemental pay and HR-related workflows because those were the highest-priority processes.

As campus department heads used the system, they started asking how they could build workflows for their own processes. Three years in, every department in the district has the ability to create forms, configure approval routing, and run their necessary workflows. Special/Federal programs are next, with intra-district transfer requests, verification of enrollment, and out-of-district student transfer requests being added soon.

“It’s not just pigeonholed into HR and finance,” Mary said. “We’ve been able to branch out and provide the ability for our other users in the district to create their own forms that have nothing to do with our departments. We’ve truly made it district-wide at this point. And we’re continuing to grow.”

Three years ago, Hallsville came looking for a way to stop chasing paper. What they built was an audit trail that satisfies state and federal funding compliance on demand, a payroll team that closes on time without additional overtime hours spent, and a platform that the whole district now runs on.

“The benefits have far outweighed what we anticipated. We see audit compliance, accuracy, and transparency. We’d totally do it again and recommend it to other districts.”

MARY BROWN Assistant Superintendent of Finance, Hallsville ISD