

## SDCRAA HUMAN RESOURCES STANDARDS AND PROCEDURES

Section:	<b>Compensation and Benefits</b>
Standard:	<b>PAYROLL</b>
Section #:	<b>C-7</b>
Effective:	June 24, 2008

See Also:	Timekeeping; Paid Time Off; Compensation Administration Work Schedules and Overtime for Non-Exempt Employees; Special Types of Pay for Full-Time Non-Exempt Employees; Voluntary Terminations; Involuntary Terminations; Severance Pay
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### GENERAL STANDARD

The Authority maintains timekeeping and payroll records in accordance with applicable federal and state laws.

### SPECIFIC STANDARDS

Managers shall ensure the accuracy of payroll and supporting records by:

- Promptly and accurately reporting and documenting transfers, promotions, demotions and voluntary and involuntary terminations of employment in accordance with Authority procedures. (See ***Employment and Termination*** Standards);
  - Promptly and appropriately processing employee salary increases. (See ***Compensation Administration*** Standard);
  - Ensuring that time records are accurately completed and submitted to the payroll office by the deadline for each payroll cycle. (See ***Timekeeping*** Standard);
- Paychecks are issued on a biweekly basis, every other Friday. A payroll transmission and payday schedule is available from a representative of the Human Resources Department and on the Authority's intranet.
  - When a payday falls on an Authority-observed holiday, paychecks generally are issued on the preceding non-holiday standard workday.

- ❑ For non-exempt employees, compensation is based on a standard 40-hour workweek. For exempt employees, compensation is based on a standard 14-day period.
  
- ❑ For each workday, all hours for non-exempt employees shall be recorded in units of time rounded to the nearest ¼ hour. Amounts smaller than ¼ hour may not be accumulated daily to total the minimum of ¼ hour.

Note: An employee's paycheck will be given to an individual other than the employee only with the employee's written authorization to the Payroll Office.

Mandatory and voluntary deductions will be made from employees' salaries and wages to meet legal requirements and employees' directions:

- Mandatory deductions include federal and state withholding taxes, Federal Insurance Contribution Act (FICA or Social Security), federal and state unemployment insurance, state disability insurance (where applicable), and any court-ordered or lawful wage assignment, order or lien properly served; and
  
- Voluntary deductions are those directed by employees by written authorization, including, but not limited to, deductions for group insurance premiums, contributions to the deferred compensation plan, and other voluntary assignments, such as credit union deductions.

Employees are expected to notify their manager or supervisor if a discrepancy exists between what they are paid and what their timesheet reflects. Failure to comply with this Standard may result in corrective or disciplinary action, up to and including termination of employment.

## **GUIDELINES**

Before approving absences for Paid Time Off ("PTO"), managers must verify the employee has sufficient accrued time to cover the absence(s) being requested.

Managers must promptly notify the Payroll Office of any changes to time worked or recorded absences so that adjustments affecting employee paychecks or benefit account balances can be made as quickly as possible.

Managers are responsible for reviewing monthly timekeeping reports and advising employees who are nearing their maximum PTO accrual of their need to plan for taking paid time-off to avoid loss of future accruals.

The manager should notify a representative of the Human Resources Department and submit completed forms for terminating employees as soon as the manager is aware of an employee's termination date to allow adequate time to prepare the employee's final paycheck as required by applicable law.

The Human Resources staff serves as a resource to answer questions regarding the interpretation of these Standards and their applicability as well as on matters related to the calculation of pay, payment of overtime, and time-off benefit account balances.

## **PROCEDURES**

When an employee is absent on payday:

1. If the absence is planned, the manager should ask the employee what action the employee wants taken regarding the paycheck (if applicable.)
  - The manager may hold the paycheck if the employee is due to return to work within five (5) days. However, if the employee's expected return date is later than five (5) days, managers must return the paycheck to the Payroll Clerk and instruct the employee to contact the Payroll Clerk after returning to work to obtain the paycheck.
  - The manager or Payroll Clerk may mail the paycheck to the employee's home address if the employee has submitted a written request through the manager to the Payroll Clerk for the manager to do so.
2. If the absence is unplanned, the manager may hold the paycheck until the employee's return. However, if the employee has not returned to work within five (5) days, the check shall be returned to the Payroll

Clerk. The manager should instruct the employee, upon return to work, to contact the Payroll Clerk to obtain the paycheck.

3. Under no circumstances should a manager give an employee's paycheck to any other person without the employee's specific written authorization.

If the manager becomes aware of errors in payroll calculations or year-to-date totals, s/he should contact the Payroll Clerk to arrange for corrections.

If the manager becomes aware of any change in an employee's withholding status that might affect the employee's tax exemptions, the manager should remind the employee to update his/her W-4 tax withholding exemption form (available in E1 Employee Self-service, in the Human Resources Department, from the Payroll Clerk, or on the Authority's intranet). Should the employee's mailing address change, the manager should instruct the employee to change the W-4 form as well as other Authority records by using E1 Employee Self-service or the submission of a *Personnel Action Form*.

If the manager receives a notice of wage assignment, lien, or order, the manager must deliver it to a representative of the Human Resources Department immediately. The Human Resources Department staff will handle the matter with the employee and make all necessary arrangements regarding the assignment, lien, or order.

Note: Managers should require an employee to report a lost or stolen check to Payroll *immediately*.