

	Policy: Departmental Payroll Policy	Effective Date: March 28, 2003
		Revision Effective Date:
	Policy Number: HR-38	Page 1 of 4
	<hr/> City Manager	<hr/> Human Resources Responsible Party

PURPOSE

The purpose of the Department Payroll Policy is to provide Department Directors and their management staff with written guidelines on how to properly record time worked by employees and how to properly transfer this data into the City's automated payroll system.

SCOPE

The policy defines the parameters and procedures for the proper completion of time sheets and for payroll time entry. All City Departments shall comply with the procedures set forth in Exhibits A and B, which are attached.

POLICY

Department Directors and their management staffs shall be responsible for all errors made on employee time entry as well as misreporting time worked on the timesheet. Approximately sixty percent of most budgets are for payroll, therefore, it is important that these budgeted funds are properly expended and employees are paid correctly.

Hourly rates have been removed from the payroll hours entry screens. However, these rates appear on the hours proof listing that is printed and reviewed each week. Employees shall be instructed that this information should be considered confidential and should not be left in public or common areas (on printers, copy machines, etc.) and should not be discarded in trash receptacles. All pertinent payroll information should be shredded before it is discarded. If a shredder is not available, the shredder in City Administration is available.

Employee social security numbers do appear on the hours entry screens. It is imperative that social security numbers are kept confidential and should not be used for any purpose by the department other than is dictated by the payroll system. Additionally, only authorized personnel should have access to the payroll time entry screens. Screens should not be left open while an employee exits or leaves their workstation. Payroll system logins and passwords should not be shared among employees. Each payroll backup employee should secure their own payroll system login and password.

Department Directors are responsible for ensuring that payroll entry personnel are aware of all security issues while executing payroll. Any misuse of confidential payroll information by an employee may result in appropriate disciplinary action, up to and including termination.

Human Resources Department and Finance Department personnel are available to assist in the understanding and implementation of this policy.

PAYROLL TIME ENTRY PROCEDURES (Exhibit A)

The following procedures should be followed in completing Payroll Time Entry:

- Payroll system will open for time entry on non-payday Fridays at 8 a.m. If issues arise causing a delay, departments will be notified by the accounting department.
- The payroll system will be closed for input on the following Monday at 5 p.m. There will be no exceptions to this rule. The information for payroll must be wired to the bank by Tuesday afternoon in order to meet Friday payday. No wire on Tuesday means a Monday pay date. This schedule will change when holidays occur during pay weeks. Holiday schedules will be sent out a week in advance. Contact Human Resources Department if questions.
- Please ensure that a backup person is available for each department in the event of unseen absences by primary time entry person(s). Accounting will not be responsible for departments who have not keyed time into the system.
- Once you have entered payroll and the supervisor or department director has approved, please send accounting an email.
- All original timesheets are to be sent to Accounting once hours proof has been reviewed / approved and email has been sent. These will be retained for year end audit work and workers' compensation issues.

TIMESHEETS

- Check Addition. Make sure that hours add down and across. Summary hours need to be checked to make sure that each employee reported correctly.
- Mark special codes or rates. Some departments will need to mark certain hours with another code or special rate. This should be done before hours entry begins.
- The signature of the supervisor/department director certifies that all time worked is accurate and that timesheet has been filled out properly and completely. It is the responsibility of the department directors/supervisors to ensure proper timekeeping for their departments.
- Please review Exhibit B, Procedures for Completing Timesheets, for additional information.

HOURS ENTRY

- For each employee to be paid the following fields must be keyed in hours entry.

TYPE - Hour's type code (ex: regular, sick, vacation, comp, stand by, holiday worked, car usage, etc.);

HOURS – number of hours reported;

DATE – date of hours reported;

SHF – (currently applies only to dept 7040) Special Codes used to specify alternate work areas (ex: Fitness Instructor or Lifeguard works hours at the front desk);

ACCOUNT OVERRIDE – Used only when salary expense should be booked to an alternate Account number (if applicable, account number will be written on time sheet).

- Hours type codes are on timesheets. Do not key any overtime codes. System will automatically calculate overtime pay if applicable based on dates and hours entered. **PLEASE MAKE SURE THAT DATES ARE KEYED CORRECTLY TO PREVENT OVERTIME CALCULATING IN ERROR.** For example, if you key 40 hours to week ending 3/07 and by mistake key week 3/14 hours also with a 3/07 date, the system will calculate overtime as if employee has worked 80 hours in one week's time. Hours will automatically fill in for most employees. (Exceptions will be part time personnel, Police Department and Fire Department)
- If you receive a system warning: Hours quantity exceeds hours in a day, hit the Ctrl key to unlock then hit enter.
- If you receive a system warning: Surpassed VAC usable balance or Surpassed SIC usable balance, please notify your department director. **DO NOT PRESS F10 TO ACCEPT WITHOUT AUTHORIZATION FROM YOUR DEPARTMENT DIRECTOR.**
- If you receive a system warning: Surpassed CMP usable balance you may change type code to 03 (vacation) without authorization from department director.

TIME ENTRY VERIFICATION

- Once all timesheets have been keyed, print the Hours Proof Listing. Verify that dates, hours, and type codes have been keyed correctly. Do not assume if the total hours are right, that the time entry is correct. Please review the type codes and dates as well. Finally, the Department Director must also review as an internal control measure.

**PROCEDURES FOR COMPLETING TIMESHEETS
(Exhibit B)**

The following procedures should be followed in completing timesheets:

- For each day, the daily time blocks should be an accurate total of the hours worked for that particular day.
- The weekly time block should be an accurate total of the hours worked for each day the employee has worked.
- Vacation leave used, sick leave used and holiday hours to be paid should not be included in this weekly time block total. It should be written in the appropriate block in the “Leave Taken” section.
- In the event that an employee uses vacation or sick leave during the week, only the amount of leave needed to equal total hours of 40 should be charged to the employee. Use of vacation leave and/or sick leave is not to be used to the end result of an employee being paid over 40 hours for the week, unless in unusual circumstances, which will be evaluated on a case by case basis.

For Example: The employee works nine hours for each of the four days prior to Friday. On Friday, the employee has scheduled vacation. Because the employee has already worked 36 hours for the previous four days, the employee should only be charged four hours of vacation leave for Friday, making the total 40 hours paid, including the hours worked and vacation. Please be reminded that overtime payment or overtime compensatory time does not begin until the employee actually WORKS over 40 hours in a week.

- Additional hours worked outside of the normal or slightly extended work day should be noted on the back of the time sheet and these hours should be carried to the front. The total of these hours along with the hours written in the weekly time block should be totaled, then this total carried to the Week 1 (or 2) Hours Worked block. This total becomes the total amount of time worked for the particular week.
- If there are no additional hours from the back of the time sheet, the weekly time block total should be carried to the Week 1 (or 2) Hours Worked block. This is the total amount of time worked for the particular week.
- If an employee works on a paid holiday, the total of the hours worked the holiday should be written in the Holiday Wkd block while the hours worked on non-holidays should be written in the Hours Worked block. The number of hours the employee receives for holiday pay should also be entered into the Holiday block in the Leave Taken section.
- Add all hours noted for Week 1 and 2 and write this total in the Total Hours Paid block.