

University Policy 100.03 PAYROLL

Responsible Administrator: Vice President of Fiscal Affairs

Responsible Office: Office of Fiscal Affairs

Originally Issued: August 2010

Revision Date:

Authority: Office of the President

Policy Statement

It is the policy of Claflin University to establish clear guidelines for payroll administration.

Statement of Purpose

This policy sets forth requirements for departments, managers/supervisors and employees to ensure that all University employees are paid in a timely and accurate manner.

Applicability

This policy is applicable to all employees of Claflin University.

Definitions

1. Fair Labor Standards Act (FLSA [29 U.S.C. 201 et. seq.]) - establishes minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in federal, state and local governments. The FLSA is administered by the Employment Standards Administration's Wage and Hour Division within the U. S. Department of Labor.
2. The FLSA provides for **exempt and non-exempt employees**. Exempt employees are not entitled to overtime pay while non-exempt employees are entitled to overtime pay. More detailed distinctions follow:
Exempt employees usually work in a managerial or supervisory capacity and because of their duties, responsibilities and level of decision making, are exempt from overtime pay. These employees are expected to work whatever hours necessary to accomplish the goals and deliverables of their position.
Non-exempt employees because of the type of duties performed, the usual level of decision making authority, and the method of compensation, are subject to all FLSA provisions including pay for overtime. These employees must be compensated for all hours worked overtime at the premium (time-and-one-half) rate of pay.
3. **Salaried Employee** - an employee who works and is paid on an annual basis, not an hourly rate.
4. **Hourly Employee** - an employee who works and is paid on an hour-by-hour basis. According to federal law, these employees are paid overtime if they work over 40 hours in a work week.
5. **Graduate Assistant** - A person who works for a professor and who provides

professional services to students and faculty. Specific assignments are made in late August for the coming year. Assistants are directly responsible to their assigned professor.

PROCEDURES

Pay Cycle

Claflin University has a semi-annual pay cycle on the 3rd and the 18th of each month.

Direct Deposit

Employees may choose to have their paychecks deposited electronically to a bank of their choice that participates in electronic fund transfers. To begin direct deposit, an employee must complete a direct deposit authorization form (available in the University's Human Resources Office) designating deposit in either a checking or a savings account. Funds are available to the employee on the regular pay dates of the 3rd and the 18th of the month.

Check Distribution

A picture ID is required to pick up a check.

For employees located on the main campus who do not elect direct deposit, payroll checks are distributed from the Cashier's Office in the Division of Fiscal Affairs from 8:30 a.m. to 4:30 p.m. on payday and four days thereafter. Checks not picked up within that timeframe will be mailed to the employee's home address.

For employees located at remote sites who do not elect direct deposit, checks will be mailed to the home address the day before payday.

Requirements for Hourly Employees

Hourly employees must turn in a timesheet semi-monthly. The timesheet which is used to verify the actual hours worked by the employee, must be verified by a supervisor; then, the original timesheet must be turned into the Payroll Office (in the Division of Fiscal Affairs) by an established date. The date is communicated through electronic mail from the Payroll Office to the Claflin Family approximately seven days before payday.

A time sheet must include the employee's signature, the appropriate supervisor's signature, the department head's signature, the departmental code, and the Social Security or Identification Number.

In addition, an account number to determine the account that the employee will be paid from is required on the time sheet. A change in an account number requires the completion of a Personnel Recommendation Form. This form is available from the Human Resources Office and is authorized only after all appropriate signatures are secured.

Graduate Assistants

Graduate Teaching Assistants and Graduate Research Assistants are providing a service that is subject to the will and control of Claflin University. As such, these persons are classified as employees by Claflin University. They should seek the advice of a tax expert regarding tax matters.

The terms “scholarship, fellowship, grant, or award” refer to payments that do not require services to be performed. As such, these sources of funds are generally not considered to be compensation; however, these persons should also seek the advice of a tax expert regarding tax matters.

Overtime Pay

(Please refer to the section of this policy regarding exempt and non-exempt employees under “Definitions.”)

In accordance with the Fair Labor Standards Act, non-exempt employees will be paid at the overtime rate for any hours worked over 40 hours a week, **not including holidays and leave.**

Two forms must be completed for overtime pay. First, a University overtime form is needed to authorize payment. This form is completed by the employee and includes the employee’s name, position title, department/division, division budget code and the reason for the overtime. The overtime form must be signed by the employee and approved by the Vice President or the supervisor. **Secondly, a record keeping form is needed** to track the hours worked. Both the overtime and the record-keeping forms are submitted to the Human Resources Office; that office in turn submits the forms to the Payroll Office for processing on the established deadline date. When forms are received after that date, the employee will not be paid in that pay cycle.

Employee Payroll Deductions

Mandatory Deductions-As required by law, federal and state tax, social security taxes and Medicare taxes are withheld from an employee’s compensation.

Involuntary Deductions - The University is also required by law to withhold a portion of an employee’s earnings to satisfy an outstanding debt when a court order or other legally authorized agency requires such action. These include child support, creditor garnishments, and a federal tax levy.

Other Deductions - The University offers several other deductions to employees to include the purchase of insurance, retirement, savings bonds, and contributions to charities as well as the University itself. Optional pre-tax deductions for a flexible spending account for medical and dependent care expenses are also available to employees. Inquiries should be made to the Human Resources Office.

Federal Work Study Program

The student work study program is administered by the University’s Financial Aid Office but involves operations of the Human Resources Office. The steps detailed below must be followed before a work study student is paid.

- A student signs a work study request contract with an assigned department.
- A work study timesheet, which tracks the hours that the student works, is completed by the student. This timesheet must be signed by the student and the employee who supervises the student; the supervisor is responsible for the accuracy of the timesheet.
- Individual departments and offices submit work study timesheets to the Office of

Financial Aid.

- The Office of Financial Aid submits the data to the Payroll Office on the 4th of each month.
- Work study checks are distributed by the Cashier's Office (the Division of Fiscal Affairs) to students on the 10th of the month.

