
13.1 Overview

The Office of the Vice President for Business & Operations provides the Accounting, Human Resources, and Payroll services for the University

The Payroll Department works closely with the Human Resources Department and the Accounting Department to execute all transactions associated with adding and terminating employees, accurate payment of salaries, benefits and payroll liabilities. The Payroll Department works with the Accounting Department to insure that all accounting processes between payroll and accounting work smoothly.

The Human Resources Department is responsible for all aspects of recruitment, salary and benefits packages, job classifications, employment of new personnel, employee orientation, and administration of leave and benefit programs. The Payroll Department provides the operational processing to calculate and deliver salaries/wages and associated benefits to employees.

In partnership with the USG Shared Services Center (SSC), the payroll office processes, verifies and confirms the university's payroll submittals to SSC for final processing and delivery. After final review and confirmation, SSC remits payroll deductions to the proper government entities, agencies and companies.

A third party vendor (ADP) provides payroll processing services to the university through a portal that allows employees to update time and attendance, and allows supervisors to edit payroll records. These changes will be discussed in detail in a later section of this chapter.

All costs associated are electronically provided to the Accounting Services department by SSC and/or ADP in order that all costs are included in the financial accounting reports produced for the University. The Accounting Services department provides all financial accounting for the University, including the reconciliation of payroll/benefits accounts.

. Services provided by Human Resources include collection and processing of all hiring documentation including, but not limited to: employee compensation, Federal and State tax withholding allowances, direct deposit information, benefit enrollment, retirement enrollment. The payroll production process includes calculation of pay amounts and corresponding employee deduction amounts, production of pay to employees, and reconciliation and remission of payroll deductions to proper entities not directly paid by SSC.

Payroll processing for the University System is accomplished by ADP. ADP provides the portal for employees to use in updating time and attendance, and for making some changes to payroll records, such as Federal tax withholding allowances and direct deposit information. 13.2 Payroll Policies and Procedures.

13.2.1 Frequency of Pay

Full-time and part-time staff employees, including federal work-study student employees and student assistants, are paid on a biweekly schedule of every other Friday. Professional and Administrative, full-time Faculty, and part-time Faculty are paid on a monthly schedule, which occurs generally on the last working day of the month. Full-time faculty are paid in ten monthly checks beginning at the end of August and continuing through the May. Due to holidays and academic calendar, flexible payment schedules may be implemented as required. These flexible payment schedules will be published in advance. The current published payroll schedule may be found from the web page at: <http://www.clayton.edu/payroll>.

13.2.2 Required Actions by Employees and Managers

Biweekly Employees

Biweekly Employees must enter hours worked and vacation/sick time for each two week pay period into the ADP eTime time card, and must save and approve the timecard at the end of each pay period. Timecards are completed by the employee using the ADP Employee Self Service portal. After completion by the employee, the employee's supervisor will electronically approve timecards for all employees under his/her supervision. The ADP Employee Self Service portal may be found on the web at <http://portal.adp.com>.

If leave time is taken, **after** completing the eTime time card and receiving approval by the supervisor, the employee must also complete the **Absence Report** form to report additional leave taken. Using the **Absence Report** form as supporting documentation, Payroll will process a historical edit to the employee's leave accrual record. The **Absence Report** form may be found on the Payroll Forms website: <http://www.clayton.edu/payroll/forms>.

Monthly Employees

Monthly Staff and Faculty Employees must enter all vacation and/or sick time into the ADP Timecard, and save and approve it each month. If no vacation/sick time was taken during the month, the employee will only need to save and approve the time card. Monthly employees are not required to enter hours worked. The ADP time card may be

accessed via the ADP Employee Self Service portal, found on the web at <http://portal.adp.com>.

If leave time is taken, **after** completing the eTime time card and receiving approval by the supervisor, the employee must also complete the **Absence Report** form to report additional leave taken. Using the **Absence Report** form as supporting documentation, Payroll will process a historical edit to the employee's leave accrual record. The **Absence Report** form may be found on the Payroll Forms website: <http://www.clayton.edu/payroll/forms>.

Adjunct Faculty

Adjunct Faculty is not required to enter time and attendance into the ADP Self Service portal. However, Adjunct Faculty is encouraged to register for the ADP Employee Self Service. Being registered will grant access to view pay stubs, update direct deposit info, and update demographic information. The ADP Employee Self Service portal may be found on the web at: <https://portal.adp.com>.

Student/Part-Time Employees

Student/Part-time employees are required to “punch in and out” at the beginning and ending of each shift, and also “punch in and out” during lunch breaks if these occur during the shift. The recording of Student/Part-Time “in and out” activity is accomplished using the ADP Employee Self Service portal, found on the web at: <https://portal.adp.com>.

13.3 Employee Data and Personnel Changes

13.3.1 Employee Data Changes

Faculty and Staff Employee data changes, such as address changes, access to benefits information, changing withholding tax status, etc. may be accomplished through the ADP Employee Self Service portal. The self-service portal may be found on the web at <http://portal.adp.com>. The self-service portal is available to all faculty, part-time faculty, and staff. Some changes will require additional documentation to be submitted to the Human Resources Department before the change becomes effective. .

The self-service portal allows the following:

- View and print payroll payment information
- View and print W-2's
- Update federal tax withholding
- Update direct deposit information
- View compensation history
- Maintain current address, email, or phone numbers

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- View benefits enrollments
 - View dependent data
 - Initiate changes regarding marital status and dependent status. Note that changes to name or marital status require additional documentation to Human Resources before the change can be approved. Details regarding documentation required are available on the Employee Self Service web page.

13.3.2 Personnel Changes

All personnel changes and data changes that cannot be submitted through Employee Self Service should be submitted to the Human Resources department in a timely manner.

Personnel changes consist of:

- Employee changes such as hiring, transferring and terminating
- Status changes such as full-time to part-time
- Some benefit and tax status changes
- State withholding changes

13.4 New Employees

Departments should verify with Human Resources that all new hire paperwork has been submitted and the employee has actually been hired. The new hire paperwork will include all forms required for payroll processing, including forms W-4 and G-4 for tax withholding.

13.5 Payroll Processing

13.5.1 Processing General Overview

The University is required by federal and state law to pay all University employees' salary and wages within specified time periods according to employee contracts or other agreements. The university makes these payments to employees by direct deposit to the employee's financial institution, by check (exceptions only), or by adding the amount to the student employee's BankMobile card. The university is required to make deductions from the salary and wage payments according to federal and state laws, contracts, and other agreements between the university and the employee. The university is required to issue an itemized statement of all deductions for each pay period. For employees receiving payment via direct deposit or BankMobile, the itemized statement of deductions is available via the Employee Self Service portal available at: <https://portal.adp.com>.

13.5.2 Processing of Salaries and Wages

Based upon contracts, agreements, timecards, leave statements, wage and hour laws, and other documents, the Payroll Department will process the salary and/or wages due to each employee. Mandatory and elective deductions are withheld from salaries and wages. These mandatory and elective deductions are discussed in detail below.

13.5.3 Processing of Deductions and Credits

Payroll deductions are made as required by state or federal law, or for programs or services that are elected by the employee. These deductions may be taken either before or after taxes are applied to the employee's pay depending upon laws and regulations.

13.5.4 Mandatory Deductions

Mandatory deductions are deductions over which an employee has no control. The employer is required by law to take deductions from the employee's pay and remit it to a governmental agency, a retirement system, a court system, or an agent of the court for the purpose of tax withholding, contributing to the employee's retirement account, or satisfying the employee's debt. Mandatory deductions are discussed below:

Mandated by Federal or State Law

- Federal Tax Payments
 - Federal Withholding Tax
 - Social Security Tax – (*Employees working over 20 hours per week*)
 - Medicare Tax
- State Tax Payments
 - Georgia Withholding Tax
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- Retirement Contributions (Before-tax for federal and state reporting)
 - Employee Retirement System (Old Plan 3.66%, New Plan 10.41%)
 - Optional Retirement Plan – Faculty and Exempt Employees (5%)
Participating companies are:
 - TIAA CREF
 - VALIC
 - Teacher's Retirement System (Current - 5.25%)
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- Retirement Contributions (After-tax for federal and state reporting)
 - GA Defined Contribution Plan (7.5%) – Part-Time Employees Only

Court Ordered Payments

The University is obligated by law to withhold deductions from employee's pay and remit to the appropriate court or agency on the employee's behalf for court ordered payments. The reasons for court ordered payments are creditor debts, federal and state tax levies, bankruptcy, student loans, and/or child support. These deductions are based upon the employee's disposable income, and limited by law in amount. Payroll will notify the employee when a court order is received that will affect the employee's net pay. Examples of court ordered payments are:

- Student Loan Payments – 10-20% of the employee's disposable income
- Chapter 13 Payments – deduction determined by the bankruptcy court
- Garnishments – 25% of the employee's disposable income is deducted
- Child Support – deduction determined by child support agency or court order
- Tax Levy – exempted income is determined by personal withholding allowances

13.5.5 Elective Deductions

Clayton State University employees that are eligible for benefits may choose from a variety of benefit plans and charities. Many of the benefit plans are before-tax, meaning that the premiums reduce gross pay before certain taxes are calculated. The elective deductions are listed below:

- Health Insurance (before-tax for federal and state withholding, and for social security withholding)
 - Blue Choice HMO
 - Kaiser Permanente HMO
 - Blue Cross Blue Shield POS
 - HSA Open Access POS
- Dental Insurance (before-tax for federal and state withholding, and for social security withholding)
 - Delta Dental
 - Regents Dental
- Life Insurance (after-tax)
 - Board of Regents Basic Life
 - Board of Regents Supplemental Life
 - Dependent Life Insurance

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- Flexible Spending Accounts (before-tax for federal and state withholding, and for social security withholding) Max deductions determined by IRS rules.
 - Dependent Care Spending
 - Medical Care Spending
 - Health Savings Account (before-tax for federal and state withholding, and for social security withholding)
 - Available to employees enrolled in a High Deductible Health Plan
 - Other Deductions (after-tax)
 - State Charitable Contribution (United Way)
 - Long Term Disability Insurance
 - Short Term Disability Insurance
 - Vision Insurance
 - CSU Foundation
 - Others as approved by Human Resources and Payroll

13.6 Distribution of Pay to Employees

By the addition of policy 7.5.1.1 in May of 2011, the Board of Regents instituted the requirement to use electronic transfer as the delivery mechanism for the distribution of pay to employees. The Board of Regents policy states:

Electronic funds transfer is the required method for payroll payments to employees, making funds available to the employee by the authorized pay date, unless the employee can provide documentation of having an “un-bankable” status; i.e., the employee is unable to obtain a bank account. Direct deposit is defined as the electronic transfer of funds from the employer to a depository institution designated by the employee, which makes the funds available to the employee by the authorized pay date.

Clayton State University requires all employees to receive their pay via direct deposit. Student employees without a bank account may elect to have their pay added to the balance of their BankMobile card.

Direct deposit is for those employees who have or plan to establish a savings or checking account with a banking institution of their choosing. The **Direct Deposit Authorization** form is available from the Payroll Department website at: <http://www.clayton.edu/payroll/forms>. The completed form along with a voided check is

required to start the direct deposit service. In addition to normal banking institutions, credit unions also participate in direct deposit.

Employees receiving their pay through direct deposit will not receive a printed paycheck advice. Information regarding the employee's pay can be found on the Employee Self Service Menu.

Employees that desire to receive a printed pay check must be able to provide documentation of being unable to obtain a bank account, and must process an exemption request to the Shared Services Center. If the request is approved, the employee will receive their pay check via U. S. Mail. The checks are mailed from ADP, not from the institution. It should be noted that this delivery method will be slower than direct deposit. If a check is not received in the mail, an employee must wait ten (10) working days after the pay date to request a replacement check. After the 10th working day, the Payroll department will verify the check has not cleared the bank, void the lost check and process a replacement. Processing and delivery of a replacement check can take up to five (5) business days.

For new employees that elect to participate in direct deposit, the first payrolls will be paid by check mailed from ADP until the **Direct Deposit Authorization** form has been processed. Once direct deposit has been established for the employee, all subsequent payrolls will be deposited in the bank account indicated on the **Direct Deposit Authorization** form.

13.7 Departmental and Supervisory Responsibilities

The University has an obligation to pay employees for services performed in a timely manner. Accurate and timely reporting of an employee's time and attendance is the direct responsibility of the employee's immediate supervisor. Departmental and Supervisory responsibilities include:

- Accurate and timely reporting of an employee's time and attendance
- Knowledge of the university's policies contained in the Human Resources web site at <http://www.clayton.edu/human-resources/home>.
- Informing employees of departmental rules and practices relating to time and attendance
- Ensuring employees comply with the university and departmental policies and practices

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- Ensuring all required hiring documents are prepared accurately and timely for all new employees, and are submitted to Human Resources in a timely manner
 - Submitting the payroll reports on the due dates according to the payroll schedule.
 - Verifying that the hours reported on the electronic timesheets are correct, and that the totals on the timesheets are correct
 - Submitting leave of absence and termination information promptly to Human Resources
 - Departments employing work-study students are responsible for applying university policies covering federal and institutional awards, including restrictions regarding hours worked each week and during the length of the award
 - Departments must ensure proper internal controls have been established for payroll functions
 - Departments should separate the duties of time reporting and preparing personnel documents
 - Departments must protect the confidentiality of payroll data contained on payroll documents and reports

13.8 Payroll Reporting

The University is responsible for quarterly reporting to various state and federal agencies. These reports provide information about taxes withheld, unemployment insurance, social security deductions withheld, and employer matching amounts.

ADP in partnership with SSC issues forms W-2 Wage and Tax Statement, according to Federal Treasury Regulations at year end. Employees are encouraged to sign up for electronic delivery of annual W-2 statements by clicking the “Go Paperless” link in the Pay & Taxes/Annual Statements section of the ADP Self Service Portal. For those employees who do not choose to receive electronic statements, W-2’s will be mailed by ADP to employees via U.S. Mail. The form must be postmarked by January 31st. All questions regarding the W-2 should be referred to the SSC Customer Support Team at 1-855-214-2644 or by email to helpdesk@ssc.usg.edu .

Employees may view a copy of their W-2 and/or submit a request for a duplicate W-2 using the “Employee Self Service” feature of the ADP Self Service Portal. The self-service feature may be found on the web at: <https://portal.adp.com>.

13.9 Unclaimed Payroll Checks

The laws of the State of Georgia direct that “unpaid wages” (including “uncashed payroll checks”) are presumed abandoned after one year. After one year, the amount is reported and remitted to the State of Georgia Commissioner of Revenue.

To comply with the Georgia laws regarding unclaimed property, ADP will provide reports to the Payroll Department regarding payroll checks that have not been cashed. After efforts to have the employee cash the check have failed, the university will notify ADP to stop payment on the check and remit the funds back to Clayton State University. Clayton State University will then comply with laws regarding unclaimed property regarding this payroll item.

Unclaimed wages can also be caused by a direct deposit account being closed prior to receiving the last payroll deposit. In this case, the amount of the deposit is returned to Clayton State University. The unclaimed wages will be processed in accordance with laws regarding unclaimed property.

13.10 Extra Compensation

13.10.1 University System of Georgia Extra Compensation Policy

Per Section 5.3.2 of the University System of Georgia Business Procedures Manual, extra compensation may be paid to employees for tasks performed after normal business hours for duties not included in the employee’s normal job responsibilities, provided the following *three criteria* are met:

1. The tasks must be outside of the employee’s regular department.
2. The Departmental Agreement Form must be completed and signed by the appropriate department heads. Departmental Agreement Form
3. The employee must meet at least one of the criteria listed below (Criteria from the Official Code of Georgia Annotated Section 45-10-25):

- Chaplain
- Fireman
- Dentist
- Certified Oral or Manual Interpreter for Deaf Persons
- Registered Nurse
- Licensed Practical Nurse

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- Psychologist
 - Teacher or Instructor of an evening or night course or program
 - Professional holding a doctoral or masters degree from an accredited college or university
 - Part-time employee

Also, an employee meeting all three criteria listed above may be paid extra compensation for a task for another department during normal job hours, if the task is not part of the employee's normal job responsibilities, and the employee takes annual leave for the portion of time that is being used for the task receiving extra compensation.

Employees that have been determined by the institution to be non-exempt, as defined by the Fair Labor Standards Act (FLSA), and are performing extra duties could qualify for overtime pay. Non-exempt employees should be paid at least the overtime rate or more.

In addition, the Official Code of Georgia Annotated Section 45-10-25, No. 10, allows for an exemption for an emergency situation that must be made to protect the health, safety, or welfare of any citizens or property of Georgia.

Under no circumstances should an employee receive extra compensation for a task while receiving normal compensation for the same time period. Extra compensation does not add to earnings used for retirement calculations, and no retirement deductions are taken from extra compensation pay.

Employees receiving extra compensation shall be paid said extra compensation through the institutional payroll. Such compensation shall be subject to existing Internal Revenue Service regulations as to taxability and/or withholding taxes. No compensation, as defined above and paid to employees who are on the institutional payroll, shall be paid as per diem and fees or as stipends.

13.10.2 Board of Regents Extra Compensation and Summer Pay Policy

The USG Board of Regents Policy Manual addresses faculty employment and compensation. Per sections 8.3.12.3 and 8.3.12.4, payment of compensation to faculty for full-time employment during the summer shall be at a rate not to exceed 33 1/3% of their regular compensation for the previous academic year.

Research and Saturday classes will ordinarily be carried as part of normal work load without additional financial compensation except when *all four* of the following conditions are met:

Work is carried in addition to a normal full load.

No qualified person is available to carry the work as part of his/her normal load.
The work produces sufficient income to be self-supporting.
Additional duties are not so heavy as to interfere with the performance of regular duties.

When extra compensation is paid, it shall be in line with compensation paid for performance of the employee's normal duties.

When off-campus services conducted through a continuing education center can be included in the normal work load of an individual, no additional compensation shall be paid. Extra compensation shall be paid when the off-campus service meets the four conditions stated above.

13.10.3 Federal Office of Management and Budget (OMB) Circular A21 Extra Compensation Related to Grants

Federal agency regulations control the calculation and characterization of grant related billing. The following discussion provides guidance; however, the final authorities are the grant and contract documents, granting agency policies and procedures, and Circulars for Educational and Non-Profit Institutions 2CFR, part 220 (OMB Circular A-21). Federal guidance is given on additional pay for Faculty researchers. No guidance is given on additional pay for professional staff or administrative staff. As such, this should be addressed on a case by case basis paying close attention to the terms, conditions and policies relevant to the sponsored project and those of the BOR. Also please be aware that overtime pay is appropriate for paying non-exempt employees although the cost of the overtime pay must be allocated proportionately across all accounts paying the salary for a given pay period.

OMB Circular A-21 J.10.d (1): "Charges for work performed on sponsored agreements ...are allowable at the base salary rate. In no event will charges to sponsored agreements ... exceed the proportionate share of the base salary for that period..."

Exceptions to the process above are rare, but should be included if all four of the following conditions are met:

- 1) Work is carried in addition to a normal full load.

No qualified person is available to carry the work as part of his/her normal load.
The work produces sufficient income to be self-supporting.
Additional duties are not so heavy as to interfere with the performance of regular duties.
For Faculty research staff with nine or ten month contracts, summer semester grant effort can result in extra compensation known as summer salary, if included in the approved grant budget.

Summer salary calculation involves dividing the contracted base salary by the number of teaching months, usually nine, and multiplying the result by the grant effort percentage times the number of summer months when effort occurred. (Example: For 25 % effort over a period of two summer months: \$72,000 base salary divided by 9 = \$8,000 per month times 2 months times 25% effort = \$4,000 in total summer salary).

To summarize: Federal grant funds normally should not be used as a source for additional pay but instead are used to “buyout” the effort of faculty researchers, i.e., course release time. However, unique circumstances as in the case of faculty who cannot be released from their teaching responsibilities are eligible for extra compensation if permitted by institutional policy and procedures, allowed by the contract, included in the budget, and if approved in advance by the granting agency.

USG Business Procedures Manual 5.3.2 states: Under no circumstances should an employee receive extra compensation for a task while receiving normal compensation for the same time period.” Thus, if the employee participates in grant activities during normal work hours, the employee must take leave time in order to receive the extra compensation. Penalties may be imposed for falsely certifying an effort report or incorrectly billing a granting agency. Both the institution and the certifier may be charged with violations of law.