



Payroll Advance Request

Social Security Number: _____

Name: (please print) _____

Address: _____

Date Advance Required: _____ Amount of Advance: _____

Reason for Salary Advance: _____

Requestor's Signature Date

CHRO or Designee's Signature Date

Approved Denied

I have received \$ _____ as an advance against my regular contract monthly salary (*no more than half of my regular contract check amount for the month*). I understand that this advance will be reduced in 2 equal payments from my next two (2) regular payroll warrants. **If employment ceases before the debt is paid in full, all services will be blocked and your account will be turned over to a collection agency.**

Signature Date

Payroll Signature Date

PAYROLL DEDUCTION DATE(S): #1 _____

#2 _____

PAYROLL USE ONLY:

Deduction #1 Check # _____ Check Date _____ Initial: _____

Deduction #2 Check # _____ Check Date _____ Initial: _____



AP 7135 Payroll Processing

References:

Education Code §§70902, 87040, 87801, 88160-88167, Government Code 53200, Board Policy 7130 and 7385, and Administrative Procedures 6315 and 6150

Summary

As the District strives for more efficient means of ensuring accountability and internal controls, the payroll processes (reference the attached processes map) should be regularly reviewed and monitored for trends, compliance, and enhancement opportunities. Individual employees and area supervisors (i.e. approving managers or administrators) are responsible for the accuracy and timeliness of the timecard data used by the human resources and payroll staff. Since employee wages, benefits, and employment taxes represent the vast majority of general fund expenditures, the accuracy of this data is crucial to the overall accuracy of the District's accounting records and financial statements.

The District is dependent on the Imperial County Office of Education (ICOE) to process certain portions of the payroll process. Therefore, certain restrictions related to payroll practices, options, and systems apply.

Pay Dates

The normal pay dates for all employees are the last working day of the month. If the last working day of the month falls on a weekend, the pay date is the preceding Friday. If the last working day of the month falls on a district holiday, the pay date is the preceding workday. December pay dates will normally occur prior to the winter holiday break.

Payroll Periods and Frequencies

The following payroll periods and frequencies apply for all district employees:

- A. 10-month employee – August 31 through May 31 (or in accordance with collective bargaining agreement) (10 pay dates)
- B. 11-month employee – August 31 through June 30 (or in accordance with collective bargaining agreement) (11 pay dates)
- C. 12-month employee – July 31 through June 30 (12 pay dates)
- D. Part-time faculty and payments for overload – initial payments will be by the 10th of the month (following the start of a semester), followed by 4 payments on the last day of the month.

Deadlines

Time reports are normally to be received by the Payroll Office on or before 4 p.m. on the fifth day of the month except for December. Due to the early pay date in December, all time reports are to be received by the Payroll Office on or before 4 p.m. on December 1 or as identified in the notification sent out to all employees in November.

Written authorization for payroll deductions from pay warrants paid at the end of the month must be received by the Payroll Office not later than the tenth of the month prior to the deduction taking place.

Garnishment of Wages

The district is required by law, when served with an income execution, wage assignment, Family Court Support Order, or federal-tax levy against an employee, to make deductions from the individual's wages until the debt has been satisfied, or as otherwise required by the order. Upon receipt of a garnishment order, the employee is sent notification of the order, and the Payroll Office establishes the deduction schedule according to the terms contained in the order or other notification.

Deductions and Payroll Advances

In accordance with applicable regulations and District policies, employees may submit signed requests for voluntary payroll deductions (e.g. IRAs, 125 plans, etc.). Members of collective bargaining units have dues deducted from their payroll, unless otherwise specifically arranged by their union leadership (e.g. charitable donations to a specified list).

Employees may request up to one payroll advance per twelve month period for emergency situations. Requests must be in writing to the Chief Human Resources Officer (CHRO) and include the reason for the request and the check request date. The advanced amount (no more than half of their regular contract check amount for the month) will be reduced in 2 equal payments from the employee's next two regular payroll warrants. The Payroll Coordinator will maintain Payroll Advance Request forms.

Underpayments, Docks, and Overpayments

Once an underpayment has been substantiated, the Payroll Office will notify the employee. Underpayments will be paid to the employee either through the next possible payroll warrant or through a separate warrant depending on the timing of the payroll process.

Employees who received payment for time worked that doesn't actualize (e.g. called in sick, etc.) and the employee is unable or unwilling to use eligible accrued time, will have their pay docked for an amount equal to that time on the next possible pay period.

The Payroll Office will similarly notify employees of any overpayments. The employee and the district must sign a repayment agreement before the deductions begin. If an employee does not agree to sign a repayment agreement, the employee would then be advised that legal action may be taken to recover the overpayment. Overpayments to employees may be repaid by personal check, cash, or payroll deduction. Payroll deduction for salary overpayment may only be used if authorized by the employee. The overpayment must be recovered within the same tax year to be reflected on the current W-2.

Fiscal Year versus Calendar Year

Most outside agencies use a calendar year; however, the District uses a fiscal year which ends on June 30th. A common reason for using the fiscal year rather than a calendar year is to follow the natural cycle of business (known as “the natural business year”). As a school district, we are required to follow the state’s fiscal year. The District Payroll Department is required to accumulate information on both a fiscal and calendar year basis due to the federal and state wage and tax reporting requirements.

Payroll Delivery

District employees are permitted to have one direct deposit account. Employees who choose to receive their pay via direct deposit will have detailed information forms about their deposit (commonly called “check stubs”) distributed by Campus Security Direct deposit stubs that are not picked up within 60 days should be destroyed (shredded). Before any changes occur, a communication will be sent via campus email. Employees can also request a record of their payroll history at any time from the IVC Payroll coordinator.

Employees who receive actual paper checks (known as “live checks”) will need to physically pick the checks up themselves in the human resources office during specified hours on payday (the actual last working day of the month). Checks not picked up on payday will be mailed out via regular mail and sent to the last address reported by the employee. That mailing will occur the first working day after payday. Checks are released only to employees, unless the employee has provided written authorization to release the check to another individual.

Internal Controls

Internal controls are defined by the Certified Public Accountants (AICPA) as “the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of the financial records.”

The payroll system needs an effective internal control structure to ensure appropriateness, reliability, and timeliness of the data provided to management. The internal control structure is composed of three essential elements - the control environment, the accounting system, and the control procedures

Control Environment

Control environment reflects the overall attitudes and the philosophies of the District. In order to strengthen internal controls, a segregation of duties exists between the timesheet approver, human resources analysts and the payroll coordinator. In the payroll/human resources arena, such factors include, but are not limited to:

- Management's philosophy and operating style - internal control within these areas depends on authorization and approval of documents, security, access, accurate recording and review.
- Organizational Structure – payroll/human resources has direct responsibility and authority to implement policies set by the District (BPs or APs) and as directed through applicable federal and state regulations.

External influences that affect the District's operation and practices - it is the payroll/human resources function to meet on regulations issued by the federal government of other regulatory agencies, including periodic audits by such agencies, as well as an independent audit which is completed annually.

Control Procedures

Control procedures are the policies and procedures that management has established to provide reasonable assurance that objectives are met. Control procedures penetrate both the control environment and the data processing levels.

- Segregation of job duties
- Proper authorization
- Design and use of adequate documents and records
- Adequate safeguards over access to and use of records

The payroll process typically depends on two categories of data: constant data and current period variables.

Constant data are defined as those items contained in the employee's record, such as rate of pay, cost center, and eligibility for benefits. Current period variables interact with constant data and change from period to period, such as regular hours worked, sick or vacation time used, and overtime hours worked.

Proper Treatment of Deductions

- The employee requests deduction from their pay and signs an authorization for such deductions (except for wage attachments allowed under federal and state law).
- The payroll coordinator and human resources analysts ensure employee eligibility of benefits or personal deductions as requested.
- Any Deduction notice is filed in employee's payroll files.
- Copies of signed documents are passed on to other areas, if required.

Management Reports

As a final safeguard against errors and fraud, it is critical that information relating to personnel and compensation be provided to immediate supervisors, department heads, and administrators for review. Reports should be compiled to keep those responsible for their budget expenditures informed in order for them to take appropriate action in a timely manner.

No BP