

United Tribes Technical College

Accounting Policies & Procedures Manual

9.0 COMPENSATION POLICIES AND PROCEDURES

Compensation Policy

In general, compensation for personal services includes all remuneration, paid currently or accrued, for services rendered during a period of performance, including wages, salaries, and fringe benefits.

All employees will be compensated in accordance with the Wage and Salary Scale developed and periodically updated by Human Resources.

Charges for work, including work performed on federal awards by the faculty members during the academic year are allowable at the Institutional Base Salary (IBS) rate. The IBS rate is defined as the annual compensation paid by the College for an individual's appointment, whether that individual's time is spent on research, instruction, administration or other activities. IBS does not include any income that an individual earns outside of duties performed for the College.

Extra services pay represents overload compensation subject to College policy for services above and beyond IBS. Faculty members and non-Faculty full-time professional personnel may earn extra service pay.

Extra service pay policy applies uniformly to all personnel qualified in the above paragraph, without regard to the source of funding.

A Special Part-Time Contract will be used to document a work situation that exceeds the demands of an employee's IBS level. The Agreement must describe both the additional work and compensation. The Agreement must be approved by the employee, Vice President, and President.

The additional compensation must be commensurate with the IBS rate.

After an applicant has been selected for employment, an Employment Selection Form must be completed and retained by Human Resources and made a part of the employee's official personnel file. The form identifies the following:

- Title of the employee's position
- Department to which employee is assigned
- Account numbers assigned to employee
- Applicant status – Fulltime or Part time
- Compensation – rate per hour, annual salary, or lump sum
- Employee classification – Exempt or Non-Exempt according to FLSA
- Terms of Employment

United Tribes Technical College

Accounting Policies & Procedures Manual

All new employees must complete an IRS W-4 Form, an I-9 Form, and appropriate insurance applications before their first paycheck can be released. Forms are to be completed on first day of employment.

Wage and Salary Administration

As described in the UTTC Employee Policies Handbook, all payroll disbursements to employees will be made either by check or by direct deposit, at the option of the employee.

Changes in the rate of pay, cost accounting information, and other changes to the payroll record will be made by the Human Resource Department only upon receipt of proper authorization. Changes in withholding allowance will be made by Human Resource or the Payroll Specialist upon receipt of proper authorization. All changes in rate of pay must be approved by the President.

The College has 26 pay periods per year. Payroll is distributed biweekly, on alternating Fridays. Pay Periods are 14 days in length and begin at 12:01 AM on Monday and ends two Sundays later at 12:00 AM.

Payroll checks will not be distributed if timesheets are not turned in and approved by the deadline.

The Payroll Specialist will prepare and distribute not later than the fifth working day of each year a listing of the pay periods for the new year.

Fair Labor Standards Act

Employees whose jobs are governed by the FLSA are either "Exempt" or "Non-Exempt". Generally speaking, nonexempt employees are entitled to overtime pay and exempt employees are not.

Exempt Employees: Exempt employees may be classified as either Full-Time or Part-Time.

Exempt employees may include, for example, salaried employees such as teachers, whether they receive their pay in equal installments over the school year or the calendar year; other salaried employees such as executives and administrative personnel work, full time over the calendar year.

Non-Exempt Employees: Non-Exempt employees may be classified as Full-Time, Part-Time, or Temporary. The Fair Standards Labor Act requires that Non-Exempt employees be paid time and one half for hours worked in excess of 40 hours per week.

United Tribes Technical College

Accounting Policies & Procedures Manual

Non-Exempt employees may include, for example, part-time program case managers, or part-time legal assistant.

A temporary employee might be, for example an elementary school teacher, under contract for less than 120 days.

Timesheets

All employees must prepare and maintain a timesheet on a daily basis.

Timesheets must be completed and approved by the employee's supervisor or Program Investigator no later than the last day of the end of the pay period.

Approved leave slips and overtime slips, if any, must be attached to the timesheet.

The timesheet must be submitted to the Payroll Specialist by end of the shift on the last day of the pay period.

A Part-Time Employee Compensation Form is used for Temporary, Part-Time, and Special Part-Time employee compensation, paid in accordance with the Employee Selection Form on file.

Payroll Deductions and Advances

The Payroll Specialist reviews, tracks, calculates, and reconciles payroll deductions and advances.

Deductions and Advances: The Payroll Specialist processes voluntary and mandatory deductions for payroll, for example, Garnishments, Child Support, miscellaneous deductions, and Scholarship contributions.

Upon Termination of Employment remaining balances for voluntary deductions will be withheld from employee's final paychecks. For example, Bookstore charges, Powwow charges, Pay advances.

Upon Termination of Employment non-refundable and non-transferable travel will be withheld from employee's final paycheck.

United Tribes Technical College

Accounting Policies & Procedures Manual

Payroll Reconciling and Reporting

The Payroll Specialist is responsible for monitoring and reconciling withholding accounts for employee fringe benefits, which includes issuing payments to fringe benefit vendors, and payments of state and federal income taxes withheld from employee wages.

The Benefits Specialist provides reconciliation worksheets for the Fringe Benefits to the Payroll Specialist, which shows the amounts to be paid to vendors for monthly benefits.

The Payroll Specialist reconciles fringe accounts to ensure balances zero out or identifies balances.

Payroll taxes are paid via online each pay period.

The Payroll Specialist prepares and maintains periodic payroll quarterly and annual reports including 941 Forms, W-2's, Unemployment Insurance reports, Workforce Safety & Insurance reports, state and federal government reports.