

# FACULTY/STAFF PAYROLL GUIDELINES

This memo can be used to serve as a guide to the most common reoccurring pay request issues. If you feel your question cannot be answered by the information provided below, please call the Payroll Manager at extension 7120.

**Awards:** Awards are considered taxable income and paid through payroll for employees. IRS will allow exclusions for awards given for length of service contained to a specific dollar amount and also safety achievement. Safety awards may not be awarded to (1) a manager, administrator, clerical employee, or other professional employee and (2) employees must be full time and employed one year.

**Bonuses:** All bonuses may be requested by memo or the "Personnel/Payroll Action Form" and require signatures from their budget head, vice president, and the director of Human Resources. The memo or form should clearly state the reason for the bonus and the dates of service in which the employee qualified.

**Compensatory Time Off:** Available only to staff (non-exempt) employees. There are strict guidelines that must be met. (1) Comp time must be by employees' request and (2) used within the same pay period and (3) any physical hours over 40 in a work week must be given at the rate of one and a half hours per hour worked.

**Extra Pay:** Honorariums, or any other additional pay for a flat amount are paid only to faculty and administrative (exempt) employees. The "Extra Pay" form is downloadable on the Payroll Office website, and should be used to request small payments for short term projects or services such as a one time music performance or a faculty weekend workshop. The form should not be substituted for a part time contract for longer term service and/or requiring multiple payments. The Extra Pay form also includes guidelines for independent contractor status. Please note a signature from the appropriate vice president is required.

Staff (non exempt) employees must submit all additional hours worked for the university on a time sheet. Departments wishing to hire current staff for temporary assignments should complete the "Faculty & Staff Position Request" form available on the Human Resource Services website. The hiring rate will be no less than the equivalent of their current rate of pay. Pay requests must use salary accounts (6101 for Staff, 6102 for Adm., 6151 for Fac ).

Please refer to the Personnel Manual for information on the "Supplemental Pay Policy" effective October of 2003. The most current version is available on the Human Resource Services website.

**Inactive Employees:** Any department wishing to hire an individual for any length of time who currently is not on payroll, should always check with Human Resources before hiring to determine what employment forms may be needed. Processing times vary per form. For instance, I-9 forms are required by law to be completed within three working days. Part time teaching and service agreements should be processed immediately upon hire. If an employee has left the university and returns to provide a service which resembles in any capacity a responsibility given to them while employed, IRS and Washington State Dept of Labor will normally challenge the company decision to classify them both as an employee and independent contractor. Receiving a W-2 and 1099 will "red flag" both the individual and PLU for potential audits. Washington State Department Of Labor may also question the classification of an individual paid as an independent contractor if Accounts Payable has paid them more than two times over twelve consecutive months.

**Lost Check Fee:** Effective January 1, 2006 payroll began charging \$15.00 to employees for reissued payroll checks. This fee will collect back a portion of the expense to the university for the bank charge, payroll reporting and processes which occur.

**Moving Allowances:** New employee contracts must state the amount of the moving allowance approved. A moving policy will be sent by Human Resources to the eligible employee upon hire. Budget heads should be aware of the policy which follows IRS guidelines before they begin negotiating. A copy of the policy may also be obtained by contacting the Payroll Office where all moving expenses are processed.

**Salary Payments:** Payday normally falls on the 30<sup>th</sup> of each month for work performed during that month. When the date falls on a Saturday or Sunday, payday advances to the previous Friday.

Compensation for salaried employees covers the entire month. Compensation for hourly employees covers the period as shown on their time sheet, and may also be found on the "Payroll Processing Schedule" memo.

**Web For Employees:** If you are an employee with benefits, you should have access to Banner Web For Employees. You can view current and detailed history such as Pay Stubs, W-2's, W-4's, Direct Deposit, and Leave Accruals. PLU's contribution to your retirement plan is also available. We encourage you to take advantage of these services.

**Work Week:** The established university work week begins at 12:01 Saturday morning and ends at 12:00 midnight Friday.