

COLORADO STATE UNIVERSITY-PUEBLO
Payroll Department Policies

1. Payroll Department of the Business Financial Services Department

- The Payroll Department has the following responsibilities:
 1. Verification of payroll data to see that all employees/ students are paid accurately and in a timely manner.
 2. Process Expense Transfers and Payroll Journal Entries.
 3. Input and/or Verification of additional types of pay. (Supplemental pay, uniform allowances, tips, overtime, shift differential, etc.)
 4. Entry of W-4's and Payment Disposition Data.
 5. Input and/or verification of payroll deduction items, including insurance benefit programs, tax- deferred investments, taxes and various other deductions. Also, collect and remit cash payments for benefit programs not otherwise covered.
 6. Payments of all monies withheld through the payroll system to the appropriate agency including: Federal, State and local taxes, Medicare, PERA, benefit programs, retirement accounts, employee and student receivables, parking permits, Foundation, etc.
 7. Prepare and submit Federal, State and other required reports associated with payroll processing.
 8. Calculate, withhold and remit monies ordered by court systems for garnishments, tax levies and child support. These include Department of Social Services; Federal, State and local court systems throughout the U.S.A., Guam, Virgin Islands, Puerto Rico and the District of Columbia.
 9. Prepare and submit W-2's and maintain records for prior years.
 10. Certify all PERA data for prospective retirees and maintain PERA records.
 11. Load and monitor back salary, tax adjustments and overpayments due to late paperwork submission.
 12. Handle stop payments, prepare and process special checks and hand drawn checks concerning payroll.
 13. Maintaining or recommending to the administration as appropriate, policies and practices which ensure compliance with Federal, State and local tax laws.

2. Work Provisions and Definitions

- Established Work Week

An established work week is any regularly recurring period of 168 hours - seven consecutive 24-hour periods - designated as a period of work for an employee. The established work week for all University departments shall be 168 consecutive hours beginning 12:01 a.m. each Saturday through Friday at 12:00 a.m.

- Hours Worked

Hours worked is the time for which an employee is entitled to compensation. For employees eligible for overtime, compensation must be paid for the time the employee is required to be on duty on the employer's premises, or at a prescribed work place, and for the time the employee is "suffered or permitted" to work, whether or not requested to do so. Thus, hours worked can include time spent in idleness and in incidental activities as well as in productive labor.

Scheduled meal periods are discretionary, are not counted as work time and must be at least 30 minutes. However, if the employee is materially interrupted or not completely

free from duties, the meal period is counted as work time. Work breaks are discretionary. If granted, breaks of up to 15 minutes are considered work time. Breaks shall not be used to offset other work time nor to substitute for paid leave, shall not be taken at the beginning or end of the workday, nor shall be used to extend meal periods.

NOTE: Work-Study information for student employees is located on the Student Financial Services page at: <https://www.csupueblo.edu/student-financial-services/student-employment.html>

3. Deadlines

- Job Offers to Human Resources
 1. All fully executed job offers are due to Human Resources by the 15th of the month for end-of-month payroll.
 2. Non-student hourly job offers should be turned in to HR before the employee begins working.
 3. Within three business days of the date-of-hire Human Resources requires the employee to present acceptable documents (or acceptable receipt for application of such documents) necessary to complete the I-9 Employment Eligibility Verification. If this is not completed, the employee cannot be paid by the Payroll Department.

****need to allow one week for each signature needed****

- Changes to Payroll Deductions and Direct Deposit Information
 1. End-of-month payroll – 20th of the month
 2. Mid-month payroll – 5th of the month

- Payroll Close Days

Payroll close days take place one week prior to payday, except for the July 15th payday, which will always close on July 5th due to fiscal year closing (unless otherwise notified).

4. Overtime

- Overtime Definition

Overtime is the time an employee in a position eligible for overtime is directed or allowed to work in excess of a 40 hour established work week, except as outlined in special plans. Work over 8 hours on a single work day may be balanced by time off in the same work week at a time mutually agreeable to the employee and supervisor. Overtime will not accrue until more than 40 hours are accrued in a single work week. Work over 12 hours in a day, in the state of Colorado, is considered overtime.

- Overtime Eligibility

The Human Resources Department individually reviews all state classified positions and designates each as either eligible or ineligible for overtime. These determinations

are based upon the criteria contained in the Fair Labor Standards Act (FLSA). Departments and/or employees who question the stated designation may ask that a review be conducted. Requests should be submitted to the Director of Human Resource of the Human Resources Department. Information concerning the FLSA criteria is available in the Human Resources Department.

All employees paid on an hourly basis are eligible for overtime regardless of the noted overtime designation for the appropriate job classification, with the exception of certain employees in computer related occupations who are paid at an hourly rate exceeding \$27.63. Employees in computer related classes normally exempt from overtime whose hourly rates exceed this minimum are paid their normal hourly rate for all hours worked.

5. General Payroll Information

- Payroll Documents

Time sheets are the primary documents to record and authorize regular hourly, overtime and special pay. It is essential that these documents be accurately completed by knowledgeable supervisors, that documents be adequately secured against fraudulent entry data, and that documents be signed by authorized personnel and time appropriately and delivered to the Payroll Department in a timely manner.

- Pay and Pay Periods

Salaried employees are paid monthly on the last state work day of the month. Students and Non-student hourly employees are paid monthly on the 15th. As of January 1, 1996, all new hires are required to have their pay directly deposited to a checking or savings account at the financial institution of their choice, as indicated on the employee's Direct Deposit form. Pay advices are now published online to the Employee Portal. They are available to employees by signing into the Administrative Information System (AIS).

- Tax Withholding

Payments of salaries and wages are made through the Payroll Department and taxes are withheld in accordance with each employee's tax status as indicated on the W-4 form. Anyone claiming "exempt" must file a new W-4 form prior to February 15 for that year. Scholarship payments are not made through the Payroll Department and there is no withholding of State or Federal taxes.

6. Termination Pay

Employees, who retire, resign or are discharged, and survivors or estates of deceased employees will be paid the salary due plus unused annual and allowable sick leave. Termination pay will be included in the employee's final pay if all required documents have been processed.

Payments to employees for accrued annual leave upon termination and accrued sick and annual leave upon retirement will be charged to the fringe pool. The Payroll Department will make such charges based on data available on termination or retirement personnel actions.

- Time Limitations for Termination Pay

Following are statutory provisions for paying terminating employees:

1. Employees who terminate will be paid on the next regular pay day. Employees who are terminated at the volition of the University must be paid immediately. In this event, the department must make prior plans to have the employee's pay check ready for immediate delivery to the employee.
2. The time for payments is not extended because of accrued leave.

- Taxes on Termination Pay

Income earned may not be deferred until the next calendar year for tax purposes. The Internal Revenue Code states that if income is available in a calendar year it is taxable in that year. As an example, employees retiring on November 30 (last day worked) will receive their regular pay for November on the November payday. Pay for accumulated annual leave and the allowable sick leave will also be received in the same November paycheck.

- Moving Expense Reimbursements

Changes in federal law require moving costs to be considered taxable income. See [FPI 2-6 Moving Expenses](#) for more information.

- Advances

The State does not permit advance payments or loans against future pay.

- Earnings Statements

Earning statements (pay advices) are located in the Employee Portal by signing into AIS. Cashable checks are made available for pickup on pay day at the Cashier's Window located in the Administration Building. If an employee wishes to have the cashable check mailed, he/she will need to supply a self-addressed stamped envelope to the Payroll Department.

A final pay advice will be mailed to terminated employees to the address on file in AIS.

7. Payroll Deductions

Employees are subject to mandatory deductions for State and Federal income tax, and with the exception of those student employees who qualify for exemption under Federal law, retirement and Medicare tax, and for any court ordered payments. Academic Faculty, Administrative Professionals and State Classified personnel may also authorize voluntary deductions made available by the University. Requests for additional deductions or changes to existing deductions must be made to the Payroll Department prior to the current month payroll processing date to be effective for that month.

- Deductions are prioritized as follows:

1. When an employee changes category (Academic Faculty or Administrative Professional to State Classified or State Classified to Academic Faculty or Administrative Professional) all voluntary deductions for the category the employee is leaving will be canceled and new deduction enrollment forms appropriate to the new category must be completed.

2. Personnel going on special leave or leave without pay, and those holding appointments with special pay arrangements where the pay varies from month to month, should contact the Payroll Department to make arrangements for the premium payments of continuing benefits while on leave.
3. State classified and state classified hourly employees are eligible to enroll in the State of Colorado insurance plans. The State's contribution to the insurance plans is paid if the employee works at least 1 full (8-hour) work day per month. Insurance premiums for the employee's share will be deducted if the employee receives enough pay to cover the costs.
4. Amounts owed to the University for Unpaid Parking Fines and other valid obligations will be deducted from the employee's paycheck after written notice of the pending deduction has been sent to the employee.
5. Court ordered child support; garnishments, tax levies and liens take priority over **all** voluntary reductions or deductions.
6. Termination of Voluntary Deductions:
 - a. Voluntary deductions will terminate at the end of the contract period. At the time of termination, amounts owed the University for Travel Advance, athletic tickets, accounts receivable or any amount agreed to by the employee will be deducted from the final paycheck.
 - b. When an Academic Faculty or Administrative Professional retires or terminates employment with the University, coverage under the CSU- Pueblo Benefits Plan will terminate at the end of the following month in which employment ceases. Payroll deductions for insurance premiums will be taken out of the last paycheck unless indicated by the employee to Human Resources.
 - c. Premiums for state classified insurance plans will be deducted from a terminating employee's last payroll check to pay for coverage for that current calendar month. Coverage ends at the end of the month of termination.

8. Overpayments and Underpayments of Salaries and Wages and Other Amounts

While the University makes every effort to ensure that employees are paid correctly, occasionally errors are made resulting in either overpayment or underpayment to employees, which may go undetected for some time.

1. Recovery of Overpayments:
 - a. The University fiscal rules require the repayment of any salary, wage or other overpayments made to State employees. Amounts owed by an employee to the University require immediate arrangement for payment. If repayment arrangements acceptable the University cannot be made, the University may offset the amounts owed against any amounts due and payable to the employee from any applicable source.
 - b. If the overpayment is nominal it may be deducted from the employee's next pay. In some cases the overpayment may be significant and require a repayment schedule not to exceed six

months. The Payroll Department will establish a repayment schedule based on the particular facts involved in each case. The objective is to recover the overpayment as quickly as possible while taking into account the creation of an undue hardship on the employee.

2. Underpayment of Salaries and Wages:

- a. According to policy adopted by the Executive Budget Committee in December 1994, when underpayments occur, the University limits back pay awards to a 2 year period. The 2 year period is defined as the 24 month period immediately preceding the date the error was discovered. This policy does not apply to state classified personnel.

9. FICA Medicare Tax

All employees hired after March 31, 1986, except those student employees not required to participate in the Student Employees Retirement Plan (SERP), must have FICA Medicare Tax withheld. The rate is 1.45% with no maximum for eligible employee earnings. An employer contribution of an equal amount is also required.

- 10. FORMS AND TOOLS:** All forms can be found at: <https://www.csupueblo.edu/business-financial-services/payroll.html>