

ADM-11.30, "Employee Payroll"

## SCDC POLICY/PROCEDURE

NUMBER: ADM-11.30

TITLE:EMPLOYEE PAYROLL

ISSUE DATE: July 10, 2014

RESPONSIBLE AUTHORITY: DIVISION OF HUMAN RESOURCES

OPERATIONS MANUAL: ADMINISTRATION

SUPERSEDES: ADM-11.30 (August 1, 2006); Change 1 (March 9, 2010); Change 2 (December 1, 2001); Change 1 (May 18, 2001); (July 30, 1999)

RELEVANT SCDC FORMS/SUPPLIES: 16-66

ACA/CAC STANDARDS: 4-ACRS-7D-27, 4-4040

STATE/FEDERAL STATUTES:South Carolina Setoff Debt Collection Act, §12-56-10, South Carolina Code of Laws, 1976, as amended, Section 41-10-10 and 12-4-580A.

THE LANGUAGE USED IN THIS POLICY/PROCEDURE DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE AGENCY. THIS POLICY/PROCEDURE DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS. THE AGENCY RESERVES THE RIGHT TO REVISE THE CONTENTS OF THIS POLICY/PROCEDURE, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

PURPOSE: To outline the guidelines to be followed when processing and distributing employee payroll checks and to designate official payroll days for employees of the South Carolina Department of Corrections (SCDC).

POLICY STATEMENT: To promote sound financial management, the Agency will maintain employee payroll files and will distribute employee payroll checks in strict compliance with applicable state statutes, rules, and regulations and in accordance with generally accepted accounting practices and methods. (4-ACRS-7D-27, 4-4040)

In addition, the Agency will manage the processing of overpayments to employees in strict compliance with state regulations and the South Carolina Setoff Debt Collection Act and Gear Program, administered by the

TABLE OF CONTENTS

1. PROCESSING OF PAYROLL CHECKS
2. PAYROLL PAY DATES
3. DIRECT DEPOSIT
4. CHECKS FOR EMPLOYEES WHO HAVE RESIGNED OR TERMINATED
5. CHECKS FOR ACTIVE EMPLOYEES
6. OVERPAYMENTS
7. COLLECTION OF OVERPAID WAGES (ACTIVE EMPLOYEES)
8. COLLECTION PROCESS (INACTIVE EMPLOYEES)
9. GEAR PROGRAM
10. DEFINITIONS

SPECIFIC PROCEDURES:

1. PROCESSING OF PAYROLL CHECKS:

1.1 The Director, Division of Human Resources, or approved designee will provide to the South Carolina Enterprise Information System (SCEIS) and the Division Director of Resource and Information Management or an approved designee all necessary information on the number and type of both filled and vacant personnel positions on a current basis and will ensure that all persons on the employee payroll are legally employed.

1.2 The Director, Division of Human Resources, will work with the Division of Finance and the Budget and Planning Branch to ensure that all filled and vacant positions are authorized in the budget and that the necessary funds are available in the Agency budget.

1.3 An individual payroll file containing all information pertaining to each respective employee's payroll information will be maintained by the Records Section, Division of Human Resources, for all active and inactive employees as prescribed in the Agency's record retention policies/procedures. (4-ACRS-7D-27, 4-4040)

1.4. Employee voluntary miscellaneous payroll deduction changes will be initiated by the affected employee using MySCEmployee. Employees needing assistance on accomplishing miscellaneous payroll deductions may contact the Agency SCEIS Trainer, 896-5354, or the SCEIS Help Desk, 896-0001. The SCEIS Help Desk is available 24 hours a day/7 days a week.

1.5 The Payroll and Leave Branch, Division of Human Resources, will prepare payroll by keying transactions/actions using Citrix and guidelines provided by SCEIS. Payroll deadlines must be met as prescribed by the South Carolina Comptroller General's Office.

1.6 The Payroll Disbursement Section of the Division of Finance will be responsible for picking up all SCDC payroll checks from the South Carolina State Treasurer's Office on the dates designated by the State Treasurer's Office.

## 2. PAYROLL PAY DATES:

2.1 Regular payroll pay dates will be on the 1st and the 16th of each month except when a pay date falls as follows:

- If the pay date falls on a Saturday or Sunday, payroll checks will be distributed to employees on the preceding Friday.
- If the pay date falls on a state approved holiday, the State Treasurer will notify the SCDC in advance as to when payroll checks will be distributed. Employees will be notified of the date that payroll checks will be distributed via normal means of communications, i.e., CRT messaging, staff briefings, posted notices, etc.
- If the pay date falls on January 1st or July 1st and it is a Saturday or Sunday, payroll checks will be disbursed on the next scheduled work day after January 1st or July 1st.
- Payroll checks will not be issued to employees prior to the established time on the designated pay days unless the State Treasurer's Office authorizes early distribution.

2.2 Appropriate members of the Director's staff, Division Directors, and Wardens will be required to designate an employee and an alternate in their respective areas who will be responsible for picking up, signing for, and distributing employee payroll checks. The Payroll Disbursement Section will distribute checks to the designated employee of each SCDC organizational element. All payroll checks must be safeguarded as confidential material.

2.3 Payroll checks will be sorted by SCEIS DOC distribution (budget) as assigned in SCEIS. Checks will be distributed in the order in which they are sorted. Special requests to have checks handled individually will not be accepted unless an employee has transferred from one budget/cost assignment to another after the payroll deadline. A separate list of employees will be maintained for check distribution for Academy students, employees affected by position movement, and terminated employees.

### 3. DIRECT DEPOSIT:

3.1 Employees are encouraged to have their payroll checks direct deposited. An employee may have direct deposit with a maximum of two (2) financial institution(s) of their choice. An employee who would like to have direct deposit must request direct deposit by using MySCEmployee. Employees needing assistance with accomplishing direct deposit using MySCEmployee may contact the SCEIS Help Desk seven (7) days a week, twenty-four (24) hours a day at 896-0001. Employees should not close bank accounts before coordinating direct deposit deletion through a staff member within the Payroll and Leave Branch, Division of Human Resources. Questions related to direct deposit should be directed to the designated Human Resources Manager/Liaison or to the Division of Human Resources. Employees who elect direct deposit will not receive a payroll check stub. Employees with direct deposit should log onto MySCEmployee each payday to view their Pay Statement. Should there appear to be any discrepancy in pay, the employee must notify the Division of Human Resources.

### 4. CHECKS FOR EMPLOYEES WHO HAVE RESIGNED OR TERMINATED:

4.1 The Payroll and Leave Branch will provide the Payroll Disbursement Section, Division of Finance, with a list of all employees who have ceased employment and of all employees for whom special checks have been written with disposition instructions for such checks.

4.2 All employees who cease employment with the Agency must clear. The clearance process is defined in SCDC Policy ADM-11.11, "Employee Clearance". If the final check disposition is for mailing, it will be mailed "Certified" to the last mailing address or as instructed on the Employee Termination Clearance Form.

4.3 An employee who normally receives a paper check ceases employment and fails to provide direction to the Division of Human Resources on how to handle their final payroll check will have their final payroll check mailed to the last known address as reflected in the system the day after payday.

4.4 An employee who has ceased employment may request to have their check released to another employee or person; however, s/he must give prior written consent to the Division of Human Resources providing the individual's name that the check may be released to. The designated person must present a picture ID when picking up the paycheck.

5. CHECKS FOR ACTIVE EMPLOYEES: A payroll check for an active employee who does not pick-up their payroll check on the designated payroll date will be handled as follows:

## 5.1 All Locations:

5.1.1 If an active employee does not pick-up his/her payroll check on or by the next day after payday (normally due to wrong location, resignation/termination, or possible incorrect processing), the work location must ensure that the payroll check is returned to the Payroll Disbursement Section, Division of Finance. A written explanation of why the check is being returned must accompany each check and the check date must also be included for each returned check. The unclaimed payroll check for the active employee will be mailed certified to the employee's address as reflected in the system by the Payroll Disbursement Section, Division of Finance.

5.1.2 Employees on an extended absence may request, in writing, to have the paycheck mailed; however, the paycheck must be mailed "certified" in an envelope.

5.1.3 Any payroll check for an active employee that is mailed and returned by the U.S. Postal Service will be held by the Payroll Disbursement Section, Division of Finance, and turned over to the South Carolina State Treasurer's based on unclaimed property guidelines of the South Carolina State Treasurer's Office.

6. OVERPAYMENTS: Active employees are responsible for viewing their pay statement each payday by logging onto MySCEmployee. An employee who has ceased employment should be able to view their pay statement for thirty (30) days from the date they cease employment. Should an employee suspect that their pay statement is incorrect, they must make immediate contact with a staff member in the Payroll and Leave Branch in the Division of Human Resources. An employee who receives wages that are not due to them are overpaid, and the monies must be returned to the Agency immediately in that the monies paid is not theirs legally to retain. It is the employee's responsibility to notify the Division of Human Resources immediately should they suspect that there is an overpayment in their paycheck. To prevent overpayments the following is critical:

### 6.1 Reporting of Time and Leave:

6.1.1 An employee who does not use MySCEmployee to enter their time/leave must ensure weekly reporting of time/leave accurately by completing a Time and Attendance Form (SCDC Form 16-2, SCDC Form 16-2A, or SCDC Form 16-2B). The Time and Attendance Form is to be signed by the employee and given to his/her Supervisor for review and approval.

6.1.2 The employee's Supervisor must review and ensure accurate weekly reporting and approval of time/leave on the Time and Attendance Form, ensuring submission to the Institutional Human Resources Manager/Liaison or Divisional Liaison no later than close of business each Monday after the 7-day reporting period ends on Friday or Saturday.

6.1.3 In the absence of the employee, it is the Supervisor's responsibility to ensure accurate/timely reporting of time/leave for their employee(s). Should the Supervisor submit the Time and Attendance Form without the employees' signature, they must provide a copy of the timesheet to the employee.

## 6.2 Utilizing MySCEmployee (Portal) to Report Time/Request Leave:

6.2.1 An employee using MySCEmployee should report time daily and request leave in advance.

6.2.2 The employee's Supervisor must ensure daily approval of time, and leave approval should be accomplished in advance of the day/date(s) of requested leave.

6.2.3 In the absence of the employee, it is the Supervisor's responsibility to report leave usage for the employee(s) using Manager Self Service (MSS) or in accordance with 6.1.3, above.

6.2.4 An employee who exhausts all leave must be placed on leave without pay. Leave without pay greater than five (5) work days requires the submission of a Personnel Advice Form (SCDC Form 16-5) to remove the employee off payroll. Should the employee be placed on leave without pay by utilizing the Personnel Advice Form (SCDC Form 16-5), leave without pay is not to be reported/keyed on the employee after the last day worked as reported on the Personnel Advice Form.

6.2.5 An employee who fails to ensure accurate/timely reporting of their time and leave either on the Time and Attendance Form or MySCEmployee or a supervisor who fails to ensure accurate/timely approval of time either on the Time and Attendance Form or MySCEmployee may be subject to corrective action in accordance with SCDC Policy ADM-11.04, "Employee Corrective Action".

6.3 Inactive employee: An inactive employee is an employee who is no longer employed by the Agency. Any employee overpaid and no longer employed with the Agency should reimburse the Agency for the overpaid wages, as defined in the collection of overpaid wages for inactive employees.

## 7. COLLECTION OF OVERPAID WAGES (ACTIVE EMPLOYEES):

7.1 It is critical for overpaid wages to be collected immediately once an overpayment has been determined. Collection of overpayments will be accomplished based on SCEIS guidelines. Overpayments normally are a result of 1) incorrect reporting of time/leave; 2) incorrect or late reporting of Work Schedule Rules and/or late substitutions to the work schedule rule; and/or 3) late reporting to remove an employee from payroll due to extended leave without pay and/or employee ceasing employment.

7.2 Incorrect Reporting of Time/Leave: When it is determined that there has been incorrect reporting of time/leave for an employee, immediate steps must be taken to correct the incorrect information. Once the time/leave has been corrected, any overpaid wages will be collected immediately from the employee's next payroll check. It is the responsibility of the Human Resources Manager/Liaison and/or Divisional Liaison to notify the employee of the correction and that their payroll check may be impacted as a result of the correction.

7.3 Late Reporting of Work Schedule Rules and/or Late Substitutions to Work Schedule Rules: Supervisors MUST notify the Human Resources Manager/Liaison and/or Divisional Liaison when a substitution must take place on an employee's assigned Work Schedule Rule. Failure to ensure correct reporting of substitutions can result in an overpayment to an employee.

7.4 Late Reporting to Remove an Employee from Payroll as a result of Leave Without Pay and/or Ceasing Employment: Supervisors must notify the Human Resources Manager/Liaison or Divisional Liaison in advance when an employee is to be placed on leave without pay "indefinitely" (greater than five (5) days). A Personnel Advice Form (SCDC Form 16-5) must be submitted to the Division of Human Resources based on prescribed payroll deadlines. No time/leave is to be reported for an employee on extended leave without pay beyond the last work day. The Supervisor must notify the Human Resources Manager/Liaison or Divisional Liaison immediately when an employee is to be removed from payroll due to termination of the employment and/or resignation. A Personnel Advice Form (SCDC Form 16-5) with the termination letter/resignation must be attached along with "all" Time and Attendance Forms (if using SCDC Form 16-2, SCDC Form 16-2A, or SCDC Form 16-2B). An audited Leave File and all "official" files are to be submitted to the Division of Human Resources based on prescribed deadlines.

## 8. COLLECTION PROCESS: (INACTIVE EMPLOYEES):

8.1 An inactive employee (no longer employed) will be notified in writing by certified mail of the gross and net amounts of the overpayment and the reason(s) for the overpayment. A deadline date will be provided for the inactive employee to respond and handle the overpayment.

8.2 An inactive employee must pay back in full the net amount of the overpaid wages by November 15, in the year in which the overpayment occurred.

8.3 An inactive employee who fails to respond or handle the overpayment as described in 8.1 and 8.2, above, will be notified twice and given the opportunity to pay back the net amount of the overpaid wages before referral to the GEAR Program. Failure to respond by the prescribed deadline will result in a third and final notification letter notifying the employee of referral of the overpaid wages to the South Carolina Department of Revenue GEAR Program.

9. GEAR PROGRAM: SCDC will refer employees to the GEAR Program, S.C. Department of Revenue, yearly for any unpaid debt based on the GEAR Program and Guidelines.

9.1 Before SCDC will refer an employee to the GEAR Program, SCDC will notify the employee of its intention to collect any debt owed to SCDC based on the guidelines of the GEAR Program. This notice will be sent by certified mail to the employee's last known address no less than 30 days before the SCDC requests collection by the Department of Revenue. The notice will provide administrative appeal procedures available to the employee and alternatives, which could prevent collection.

9.2 On or before August 31st of each calendar year, SCDC will make application to the S.C. Department of Revenue and provide the following information to initiate the GEAR Program to collect any unpaid debt to the South Carolina Department of Corrections from the prior year:

- The name, address, and telephone number of the individual or section to whom the Department of Revenue should direct inquiries, if further information is required;
- An estimate of the number of accounts to be forwarded for possible setoff;
- A letter of authorization from the Agency Director, which includes the name, title, and sample signature of the person(s) authorized to make the request for service.

9.3 All requests for GEAR must be sent to the Department of Revenue before December 15th of each year. After this time, a deletion or reduction of the amount of debt may be made, but no other debts may be added to the file.

9.4 The initial debts, to include all deletions and reductions, will be submitted electronically based on guidelines and procedures defined by the South Carolina Department of Revenue. The South Carolina Department of Revenue will send money collected via the GEAR Program periodically throughout the year until such time as the debt to the Agency has been satisfied. The employee will be responsible for any administrative fee(s) associated with the collection of the debt.

9.5 An employee may contest the referral to the GEAR Program by submitting their request in writing to the Director, Division of Human Resources, prior to the deadline date identified in their notification of referral to GEAR.

9.6 The Director, Division of Human Resources/designee, reserves the right to "write-off" debt of less than fifty (\$50.00) and not forward such amounts to the Department of Revenue for collection.

9.7 An employee who fails to pay back overpaid wages in the calendar year in which the overpayment occurred must pay back the gross amount of the overpaid wages referred to the GEAR Program for collection.

## 10. DEFINITIONS:

Debtor refers to any individual having a delinquent debt or account with SCDC which has not been adjusted, satisfied, or set aside by court order, or discharged in bankruptcy.



Delinquent Debt refers to any sum due and owed to SCDC including collection costs, court costs, fines, penalties, and interest which have accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether there is an outstanding judgment for that sum which is legally collectable and for which a collection effort has been or is being made.

Government Enterprise Accounts Receivable Program (GEAR) refers to a program administered by the South Carolina Department of Revenue, whereby governmental agencies can refer debt for collection via tax refund checks.

Overpayment refers to any wages paid to an employee that he/she was not due.

Refund refers to any individual or corporate South Carolina income tax refund payable. This term also includes any refund belonging to a debtor resulting from the filing of a joint income tax return.

SIGNATURE ON FILE

—  
s/Bryan P. Stirling, Director

ORIGINAL SIGNED COPY MAINTAINED IN THE OFFICE OF POLICY DEVELOPMENT.