

FINANCIAL MANAGEMENT

Payroll: Authorization and Control

Personnel Action

To initiate a personnel action, the supervisor shall initiate a personnel action notice. The notice shall be approved by:

- A. Personnel department giving assurances that the contemplated action is consistent with all procedures related to the district's employment practices;
- B. Business department giving assurance that there are adequate funds covering the proposed action;
- C. Superintendent giving final authority for the personnel action.

Salary Warrants

Unless otherwise indicated, each staff member shall receive a salary warrant on the last working day of each month equal to 1/12 of the staff member's yearly salary less statutory, contractual and voluntary deductions. Voluntary payroll deductions shall be authorized by the board. (See policy 5313 - Payroll Deductions.)

Present statutory deductions are as follows:

OASI	Deducted during the calendar year from each pay warrant beginning with January 1 payroll until the required amount is deducted.
WITHHOLDING TAX	Deducted according to the current Internal Revenue Service schedule.
MEDICAL AID	Deducted from each pay warrant for all staff as set by the State Department of Labor and Industries.
RETIREMENT	<u>Washington State Public Employees' Retirement System</u> - Deducted from each pay warrant of non-certificated staff holding eligible positions at the rate set by the state. <u>Washington State Teachers' Retirement System</u> Deducted from each pay warrant of certificated full-time staff at the rate set by the state.

Present contractual deductions are as follows:

HEALTH INSURANCE	Deducted from the pay warrant each month for Blue Cross, County Medical, Sound Health Plan and the Group Health Cooperative of Puget Sound.
SALARY INSURANCE	Deducted from the pay warrant each month for American Fidelity Assurance and Washington National Insurance.
LIFE INSURANCE	Deducted from the pay warrant each month.
ASSOCIATION/ UNION DUES	As negotiated in each agreement.
DENTAL INSURANCE	Deducted from the pay warrant each month for eligible staff.

Present voluntary deductions are as follows:

CREDIT UNION	Deducted from the pay warrant each month for credit union.
UNITED WAY	Deducted for _____ equal monthly installments beginning _____.
TAX-SHELTERED ANNUITIES	Deducted for _____ equal monthly installments beginning _____.
DEFERRED COMPENSATION	Deducted for _____ equal monthly installments beginning _____.

Hourly or Daily Employment

Hourly or daily staff must submit time slips. Time slips must be signed by the staff member and approved by the staff member's supervisor.

Leave

District leave provisions are covered in district policies 5320-5327. Upon return from a leave, the staff member shall complete a time slip and any related leave forms. The time slip must be approved by the staff member's supervisor. The business office shall compile the amount of leave used on a monthly basis. Accrued leave shall be reported on the staff member's warrant statement. Staff must submit time slips when they do not report to work regardless of the nature of the absence, whether illness, emergency leave, nonreimbursable leave or vacation.

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Since approximately 75-80 percent of a school district's expenditures involves the payroll, the controls for payroll must be carefully developed. The superintendent and auditing officer should have as a minimum the following controls:

1. Written authorization for any new positions not to exceed the number of full time equivalents (FTEs) cited in the budget.
2. Board approval for any positions which exceed the total FTEs as stated in the budget.
3. Verification that each staff member is properly placed on the salary schedule based upon documented training and experience.
4. Advance authorization of overtime.
5. Leave of absence forms for all vacation and leave.
6. Documentation of annual sick leave buyback.