
670.1 SUBJECT: CITY PAYROLL

:1 OBJECTIVE:

To provide a uniform procedure to be used as the basis for calculating employee paychecks, reporting payroll data, and providing documentation for employee compensation.

:2 AUTHORITY:

This procedure amended by City Council February 13, 2006, Item A5.

:3 DIRECTION:

The Controller, as an appointed official, serves at the pleasure of the Mayor and receives direction from the Chief Financial Officer.

:4 METHOD OF OPERATION:

A. General Information

The Infinium system is a Payroll/Personnel system that allows Personnel and Payroll users to share basic employee information.

Within the system, Payroll "Cycles" are set up which are activated on either a weekly and/or biweekly basis, depending on when pay is normally due. Prior to opening each cycle, close coordination is required between Personnel and Payroll to ensure that accurate/timely data is entered, that the Time Reports contain accurate accruals: (e.g., sick, vacation, and compensatory time) and all incomes/deductions are accurate for each employee. Payment will be limited only to employees who were active at the end of the week in which the pay "Cycle" is open. The following cycles have been established:

1. Bi-weekly Pay Cycles:

- a) Bi-weekly General Employees (Including SEIU)
- b) OPD 1&2 Police Department Employees
- c) OFD Fire Department Employees
- d) Seasonal Seasonal Employees

2. Weekly Pay Cycles:

- a) Weekly L.I.U.

The following four methods are used to summarize employee time:

Daily Time Proof by Levels (Kronos)

Regular Payroll Time Report (Employees not on Kronos)

Emergency Requests

Final Checks (Retirement, Resignation, Termination, etc.)

B. Daily Time Proof by Levels (Kronos) and Regular Payroll Time Reporting

1. Time is entered and calculated through an electronic timekeeping system (Kronos) then approved electronically or manually by employee and manager. Certain employees of the Police and Fire Department will use timesheets that are approved manually by the employee and manager.
2. Request for compensation/reimbursement for such items as medical reimbursement, auto mileage (excluding fixed allowances), shoe/clothing reimbursement, and all other authorized reimbursements, must be attached to the time sheets submitted to the Payroll Section by noon Monday for Weekly pay cycles and every other Monday for bi-weekly pay cycles.
3. Completion of Time Reporting
 - a) All employees should certify that all hours worked by them and all hours of paid leave are accurately reported. Exempt employees are attesting that a minimum of 80 hours were worked or charged to an appropriate leave category. Exempt employees are paid on a salaried basis, regardless of hours worked, - subject only to the exceptions permitted under the FLSA. It is the policy of the City of Orlando to comply with the salary basis requirements of the Fair Labor Standards Act (FLSA). The City therefore prohibits any improper deductions from the salaries of exempt employees. All employees should be aware of this policy and understand that the City does not allow deductions that violate the FLSA.

If an exempt employee believes that an improper deduction has been made to their salary, it should immediately be reported to a direct supervisor, or to the Human Resources Class and Pay section.

Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made. If an error is confirmed, the correction should be entered on the Time Report Adjustment Form and submitted with the next regular payroll time report.

Exempt employees will not utilize time clocks to track total "hours worked" on a day-to-day basis. Exempt employees may, however, maintain precise time and attendance records for the express purposes of tracking hours devoted to special projects or events, keeping track of non traditional/modified work schedules, allocating billable time to City cost centers, grantors, outside third parties, to gather performance measures data, or for short periods to justify an increase in budget for manning strength. Requests to track exempt hours must be sent to the Human Resources Division Manager for review and approval. In the event that hours worked are left off a time report, the correction will be made on the next Time Report Form. Emergency checks will only be issued if the oversight is greater than 8 hours or \$100 money payable.

- b) The Department Director/Office Director/Division Manager, or designee shall certify through electronic signature or timesheet signature that the time report is accurate no later than 3:00 PM Monday. Adjustments/reclassifications that may become necessary are to be entered

on the Payroll Adjustment Form and submitted with the next regular payroll time report. The Time Report Adjustment Form must be authorized by an appointed official. No designees, or acting officials' signatures are accepted unless an authorization form is on file in Payroll. No changes will be accepted after two bi-weekly payrolls following the period reported incorrectly.

- c) Except for emergencies, as outlined below in Section D.3., employees will only receive pay during their regular cycle. Employees and their Department are responsible to schedule and submit at the proper time.

C. Administrative Requirements Automatic Payments

1. The fixed portion of the monthly auto allowance has been programmed in the Payroll system to be paid automatically on the first payday of each month. Any changes to the approved list must be processed through Management and Budget prior to payment. Employees must submit a Reimbursement Request Form with Time Reports for the first payday of each month. This amount will be paid in the pay period reported.
If the Reimbursement Request is not received by the 15th of the month, any fixed auto allowance paid automatically for the preceding month will be deducted from the employee's next paycheck.
2. Officer Patrol Pay (OPAT) and Sergeant Patrol Pay (SPAT) are automatically paid each payday to eligible employees as approved by the Police Department. Educational Incentive Pay is paid monthly to eligible employees as approved the respective Departments. The Fiscal Management Supervisor in Fire and Police Departments are responsible for review and maintenance each pay period to insure payment to authorized personnel only.

D. Separation Forms and Emergency Check Requests

1. A Separation Form or Emergency Check Request Memo is required to prepare a check in the following situations:
 - a) Termination or severance of an employee.
 - b) Emergency pay requests.
2. Termination or Severance
A Separation Form is due in Personnel no later than 10 a.m. on Monday and from Personnel to Payroll no later than 3:00 pm on Monday in order to receive a check on Friday. Final checks shall be sent by the Payroll Section to Personnel for distribution.
3. Emergency Requests
A Department Director/Office Director/Division Manager who determines that an emergency exists must initiate an Emergency Check Request Memo indicating the day(s)/ hours by type for which payment is requested. Justification for the emergency requests will be stated on the form, signed by the Office Director or Division Manager, and approved by the Controller. A sudden or unexpected happening or an unforeseen occurrence or condition that prevents employees from waiting to receive their regularly scheduled

paychecks are considered the only justifications for submission of an Emergency Check Request Memo. Specifically such emergency conditions must entail a compilation of circumstances that physically or mentally impair such employees or their families.

The Department Director/Office Director/Division Manager is responsible for ensuring that the next regular payroll Time Report does not include any time that was previously paid in advance and bears a notation showing the date of the emergency request.

4. Check Distribution

a) General Rule: Payday at the City is on Friday. Payroll checks with a Friday issue date are to be released to employees at the end of the workday on Thursday only under special conditions.

b) Conditions for Release:

Early release of checks must be for justifiable cause and approved in writing by their Director and state the “justifiable cause”.

Appointed Officials may not approve their own request. It must be approved by the next level of management as appropriate.

Justifiable causes would include (not all-inclusive):

Workweek ends on Thursday P.M.

Workday begins Friday P.M.

Employees work at City facilities outside of City Hall.

A standing approval by the Chief Financial Officer may be placed on file for recurring early releases of specific blocks of employees, such as night shifts at OPD and Wastewater facilities.

Paymasters (authorized personnel of record in the Payroll Office) may pick up checks at the Payroll Office after 12 Noon on Thursday. Under no circumstances will payroll checks be released to person(s) unknown to Payroll Office personnel or who do not have proper identification if requested.

Paymasters will distribute checks to employees at the end of the workday on Thursday, IF: the workday ends PRIOR TO 5:00 P.M. on Thursday, and the employee does not report to work on Friday or reports on Friday after banking hours.

However, if the workday ends PRIOR to 5:00 P.M. on Thursday, and the employee reports to work anytime on Friday during banking hours, then the check will NOT be released until Friday.

The Department Director/Office Director/Division Manager is responsible for the proper distribution of payroll checks to employees.

E. Payroll Deductions

1. Payroll deductions are made for withholdings required by Federal Statutes; i.e., Federal Income Tax Federal Insurance Contribution Act, Internal Revenue

actions, Court action, and City Administration Fees, and other City required deductions.

Child Support City Administration Fees are court authorized fees consisting of a one-time charge of \$5.00 for each case set-up and \$1.00 or \$2.00 for each deduction every pay day or as allowed by law according to the Court Order.

2. Other deductions listed herein will be made when authorized in writing and signed by the employee through the submission of an employee deduction form. One-time deductions for the benefit of the employee will not be authorized. Deduction forms must be received by 10 a.m. Monday prior to the payday for which the new deduction or deduction change is to be effected. Submissions received after 10 a.m. Monday will be included on the next payroll.
3. This list of approved deductions, in addition to those required by Federal and State Statutes, include but are not limited to: Approved Fraternal Organizations; Long and Short Term Disability; Child Support; Credit Union; Pension; Special Deductions; Equipment Damage; U.S. Savings Bonds; IRS Levy; Union Dues; Insurance; Work Place Giving, Direct Deposit; Computer Loan Payments and any other deduction allowed by Policy and Procedures.

F. Explanation Of Terms Related To Compensation

1. Travel Time

Travel time is shown herein by subjects, which, in most cases, can be applied, to travel performed by City employees.

- a) Home to work is not work time - An employee who travels from home before the regular work day and returns home at the end of the day is engaged in ordinary home to work travel, which is a normal incident to employment and, therefore, is not chargeable to work time. This is true whether the employee works at a fixed location or at different job sites.
- b) Home to work in emergency situations - An employee who has gone home after completing a day's work and is subsequently called out to perform emergency work shall be credited work time for all time spent on such travel.
- c) Home to work on special one-day assignments in another city. When an employee travels outside the City limits for the City's benefit and at the request of the City to meet the needs of a particular and unusual assignment, such travel is regarded as time worked.
- d) Work performed away from premises - Work performed away from the usual work premises must be counted as work time. Time actually spent in conferences and meetings is chargeable as work time.
- e) Travel from home overnight - Time worked is that time spent while in a travel status when an employee is performing assigned duties, including transportation time, but excluding all other time.
- f) When private automobile is used in travel away from premises - An employee is offered public transportation for official travel but may be

granted permission to use a personal vehicle. In such instances, the lesser time of the two modes of travel will be used in determining hours worked.

2. **Night Differential Pay (Reference 808.10 – Shift Differential)**
Classified Non-Civil Service employees assigned to a permanent evening or night shift receive a pay differential for regular hours worked in addition to their regular wage. Provisions of bargaining unit agreements shall prevail for all employees covered under same.
3. **Call Back Time (Reference: Personnel Management, Section 808.35)**
Any Non-Civil Service employee called back to work after regular working hours shall be guaranteed a minimum of four hours time at straight pay. Hours actually worked shall be recorded separately from those non-work hours necessary to achieve the four-hour guarantee. If an employee has worked in excess of 40 hours during the work week, call back hours actually worked shall be paid as premium overtime with the remaining hours as call back.

The four-hour minimum guarantee shall apply only to the first call out in each twenty-four hour work period, beginning with the employee's regular scheduled work starting time and continuing for the following twenty-four consecutive hours. Any second call back in a 24-hour period (after 30 minutes from the conclusion of the earlier call back) will be considered a separate call back; and the employee will be paid for hours actually worked.

4. **Standby Duty (Reference: Personnel Management, Section 808.35)**
Standby Duty (on-call time) is defined as periods of time in which an employee officially is ordered by the Department Director to be easily accessible by telephone and not performing actual work, but in readiness to perform actual work when the need arises. The whereabouts of the employee shall be made known to the supervisor and/or Department Director during standby duty. Such standby time, when the employee is not actually working, is not considered hours worked.
An employee designated by a Department Director to be on standby duty shall be paid two-tenths (2/10) of one-hour pay at straight time for each hour on standby duty. If the employee performs actual work during the standby period, those hours should be paid as hours worked at the appropriate rate with no minimum and the number of standby duty hours will be reduced accordingly.
5. **Inclement Weather**
Employees who report for work on time and due to inclement weather are sent home shall be paid for two (2) hours worked as reporting time.
6. **Meal Time – Rest Periods**
A bona fide meal period is not work time. It does not include rest period (coffee break). The employee must be completely relieved from duty for the purpose of eating regular meals. Rest periods (coffee breaks) are counted as working time. Meal time pay is prohibited unless specifically provided in collective bargaining agreements.

G. Fair Labor Standards Act

1. The Fair Labor Standards Act (FLSA) requires the City to record and account for hours worked and non-worked. Therefore, individual employee time reports must be segregated by hours worked and hours non-worked for pay purposes.
2. Non-exempt employees shall not work outside of their normal scheduled working hours unless they have been ordered, requested or received specific authority to do so from their appropriate chain of command. This prior approval requirement also includes accessing the City Secure Intranet from home for work purposes, such as checking e-mail, etc.
3. FLSA also requires a special method of calculating the overtime rate of pay if hours worked exceed FLSA limits. If so, the overtime rate is calculated using all compensation paid to the employee. To do this, pay has been divided into two categories as follows:
 - a) Recurring - includes such items as longevity pay and public safety special pay. These are annualized and divided by 2080 hours to calculate the hourly effect.
 - b) Non-Recurring - includes such items as Working-Out-of-Class, Field Training Officer, etc., which is divided by the hours worked in that pay period to calculate the hourly effect.

This pay is added to the normal pay rate to determine an employee's "super" overtime rate then multiplied by 1.5 (time and one-half) to determine the "super overtime rate." The "super" overtime rate is multiplied by the hours worked in that week over 40. [This is shown by the following example:

Hourly rate	\$ 8.00
Special Pay: Longevity (per year)	1,000.00
Hazards Materials Team (per mo)	60.00

\$1,000

$\$60 \times 12 = \underline{\$720}$

Total Special Pay: $\$1720/2,080 \text{ hrs/yr} = \$0.83/\text{hr}$ for special pay

Employee worked 50 hours in one week with out-of-class pay of \$50.

Gross pay calculation:

40 hrs x \$8.00 (hourly rate) =	\$ 320.00
10 hrs x \$12.00 =	120.00
Out-of-class pay =	50.00

Overtime rate:

Out-of-class \$50/50 hrs =	\$ 1.00
Annualized special pay =	<u>.83</u>
Total "super" rate	1.83
x 1-1/2 Time	<u>x 1.50</u>
Overtime "super" rate =	\$ 2.75

10 hrs x \$2.75	\$ <u>27.50</u>
Gross Pay	\$ 517.50]

- c) A special program has been adopted for police and firefighters overtime which averages time over a 28-day cycle as authorized by FLSA based on hours worked over 171 and 212 hours respectively. At the end of each 28-day cycle, the Police and Fire Departments verify that overtime reported qualifies for payment at the "super" rate and employee is paid the difference between the "super" rate and time-and-a-half on the next pay day.

H. Departmental/Office/Division Record Keeping

Each Department/Office/Division will keep in its files detailed time reporting forms, cards or other original source documents that provide backup for every employee approved by their supervisor.

:5 FORMS:

None.

Payroll adjustment forms, Final pay forms, WHC, Vacation Buydowns

All payroll forms are available on the Intranet.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCE:

Policy and Procedures Manual Section 708.35 (Overtime) approved by City Council September 30, 1974, and as amended thereafter; Section 750.2 (Attendance Reporting) approved by City Council January 25, 1971, Item 45 (formerly Section 350.2, dated December 20, 1965); amended September 27, 1972, Item 32; amended April 4, 1977, Item 6; amended November 28, 1977, Item 4; page 2; amended January 15, 1979, Item 6; amended June 30, 1980, Item 26; amended March 30, 1981; amended October 12, 1987, Item 21A-53; amended August 13, 1990, Item 4A-21; amended October 8, 1990, Item CA61; amended June 21, 1993, Item 2-P; amended December 13, 1993, Item ZZ; amended October 3, 1994, Item 3-S; amended September 23, 1996, Item EE; amended March 23, 1998; amended June 12, 2000, Item 5-X; amended July 16, 2001; amended June 3, 2002, Item B-24; amended February 13, 2006, Item A5.

:8 EFFECTIVE DATE:

This procedure effective February 13, 2006.