

Section 1

Payroll Guidelines

<p>Beaumont ISD Payroll Department Staff Campus/Department Assignments</p>

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General Information

Introduction

The primary goal of the Beaumont ISD payroll department is to administer the payroll affairs of the district efficiently and in accordance with generally accepted accounting principles and within the Texas Education Agency (TEA) guidelines. The payroll department abides by state and federal laws and the policies of the Beaumont ISD board.

This payroll manual is designed to provide a set of standardized guidelines for Beaumont ISD employees and apply to all campuses and departments.

Location

The payroll department is located in the Administration Building at 3395 Harrison Avenue, in the Business & Finance hall.

Definitions

Non-exempt employee: defined as an employee whose pay is based on an hourly rate and subject to the stipulations of the Federal Labor Standards Act (FLSA). Nonexempt employees must be paid at least the federal minimum wage for each hour worked and given overtime pay of not less than 1 ½ times their hourly rate for hours worked beyond 40 hours each week.

Exempt employee: defined as an employee whose pay is based on a specified salary regardless of the number of hours worked and are exempt from overtime provisions of the Fair Labor Standards Act.

Straight time: hours physically worked up to 40 hours. If an absence is part of the total hours worked for the work week, and the hours physically worked do not exceed 40, then all hours worked will be paid at the straight time rate.

Overtime: hours physically worked beyond 40 hours in the workweek

Example #1:

Overtime paid as straight time:

43 hours worked (during a week with an absence)

-8 hours absent

35 hours physically worked

+8 hours paid absence (if employee has accrued leave)

43 hours paid at regular hourly rate (no overtime)

Example #2

Overtime paid at time and a half:

42 hours physically worked

40 hours paid at straight time

2 hours paid at overtime rate

Work Week

The work week begins on Monday at 12:00 am and runs through Sunday at 11:59 pm.

Employee Responsibilities

The payroll department makes every effort to ensure the accuracy of payroll information. Corrections of errors are handled as judiciously as possible. Employees grant the District the right to deduct from future paychecks any amount which is overpaid in error or amounts owed to the district.

Change of Address/Telephone Numbers

It is the employee's responsibility to report any name or address changes to the *Human Resources Department*.

Other life-changing events

Marriage, divorce, birth of a child, adoption, death of a spouse and other life-changing events usually trigger a need to notify Human Resources, Payroll and Employee Benefits departments. When in doubt, call and check with these departments to see what information they may need or assistance they may offer.

Employee Self-Serve

All employees have access to their own personal and payroll information via the TEAMS employee self-serve center. It is the employee's responsibility to review their payroll information on the employee self-serve center each payday and to report any errors including compensation, leave, federal withholding status, benefit elections and other deductions.

To Access Employee Self-Serve:

- Go to www.bmtisd.com
- Under the "Staff" tab, click "Employee Self-Service-(TEAMS)"
- Log-in using your username and password
(call Information Services Department at 617-5072 if you do not have a username or password)
- You may now access the following items:
 - Personal Information
 - Leave Balances
 - Absence Reporting
 - Time Cards
 - And other important information

Annual Payroll Calendar

Payroll calendars are posted on the Beaumont ISD staff site. To view payroll the calendars:

- Go to www.bmtisd.com
- Click on “Departments”
- Click on “Business & Finance”
- Click on “Payroll”

Please note that there are 2 payroll calendars posted that have separate deadlines:

- **Non-exempt** (Annualized hourly/subs/tutorials)
- **Exempt** (Salaried)

Pay Days

Beaumont ISD employees are paid on the 10th and 25th of each month on an annualized basis. To determine the standard check amount, an employee’s annual salary is divided by 24 and paid in equal installments.

If payday falls on a weekend or holiday, payroll is issued on the last workday prior to the weekend or holiday.

Direct Deposit and Pay Cards

Effective September 1, 2013, Beaumont ISD will no longer print payroll checks and will offer the following payroll payment options:

- **Direct Deposit:** employee’s choice of financial institution
- **Pay Card:** Rapid Pay (prepaid debit card)

Direct Deposit

The Texas Labor Code, Section 61.016, specifies that the District may choose the form of payment to its employees. In order to conserve District funds and improve productivity, the electronic transfer of funds (direct deposit and pay cards) has been determined to be the most efficient system of paying employees.

Direct Deposit can be made to any bank or credit union in the United States Federal Reserve banking system as long as an account number and an ABA routing number are available.

Signing up for direct deposit is quick and easy and requires that employees complete a direct deposit form. This form is available in the payroll department. All direct deposit changes must be submitted to the payroll department **10 business days prior to payday.**

Pay Cards

For employees that do not have or do not want a checking or saving account, a pay card is a second option to receive paycheck funds. Beaumont ISD is offering a paycard through Rapid Pay. The paycard works like a prepaid debit card. Funds are loaded to the employee's paycard on payday and the employee simply uses the card as a debit card.

All employees should check their bank accounts on payday to ensure that funds have been credited to their bank account. In the event the employee's pay does not reach his/her account, they should first contact their bank before contacting payroll. **An adjustment cannot be issued until the bank rejects the original ACH transfer.** This may take as long as two business days.

Extra Duty Pay

All extra duty requires a signed/completed/approved extra duty assignment sheet **prior to beginning the extra duty assignment.**

It is the responsibility of the person submitting the extra duty assignment sheet to ensure that it reaches "completed" status prior to the expected pay deadline.

Extra duty time is recorded via an approved electronic "function" code. The Extra Duty timekeeper must approve all extra duty function time punches before payroll can issue payment. Please review payroll calendar for submission deadlines.

Payroll "Docks"

Effective September 1, 2013 Beaumont ISD will no longer spread docked days to a future pay date. Instead, the employee's paycheck will be reduced for the full amount of the absence (when all sick leave is exhausted).

For example, if you were out 3 days with no available leave and your daily rate is \$211 per day, then your wages will be reduced by \$633 (\$211 daily rate x 3 days).

Paycheck Discrepancies

In the event an employee does not feel he/she has received proper payment for services rendered, ***the employee should first ask the campus secretary/timekeeper or their supervisor to review hours worked.***

If necessary, the secretary/timekeeper or supervisor will direct the employee to the payroll department for further review of the matter.

Employees must have a copy of their most current pay stub available when contacting the payroll department. Do not call the payroll department with a question based on the direct deposit amount as it appears on the bank's website.

If the paycheck amount was incorrect, an adjustment will be issued as follows:

Adjustment Runs

The payroll department will process adjustment runs on payday only. All pay discrepancies must be reported to the payroll department by **10:00 am on payday** to be placed in the adjustment run. Adjustment checks will be ready for pickup at 4:00 pm.

Compensatory Time

Currently this practice is under review, please contact the Human Resources department for further details.

Overtime

Unauthorized overtime is prohibited.

Employees must obtain permission from their supervisor ***prior to working*** beyond their regular work schedule. Non-exempt (hourly) employees are not permitted to simply clock-in early or clock-out late without supervisory approval.

Overtime is legally defined as all hours *physically* worked in excess of 40 hours weekly and is not measured by the day or by the employee's regular work schedule. Employees must actually work more than 40 total hours in a week to earn overtime compensation.

Overtime for non-exempt (hourly) employees is calculated at 1½ times the employee's regular rate of pay. Hours worked in excess of the employee's schedule, but less than 40, are compensated at the employee's regular rate of pay. Overtime is included on the paycheck that corresponds to the pay period in which overtime was incurred. (See "Definitions" section in this manual for further explanation of straight time and overtime).

Non-exempt employees may not work from home.

Pay Advances

Beaumont ISD will not issue pay advances.

Dual Assignments

In some cases, Beaumont ISD employees are working in dual assignments. Due to the nature of the assignment, it may be necessary for an employee working a dual assignment to record time worked with both a manual time card and also an electronic time swipe. If there is any time overlap between the manual time card and the electronic time swipe, the manual time card will be adjusted so that there is not any overlap in time, thus preventing the employee from being over-compensated.

Mandatory Payroll Deductions

Social Security Protection Act of 2004

Beaumont ISD full-time employees do not contribute to the Social Security system. Instead, they participate in the Teacher Retirement System of Texas, which is a state, local, and member-funded program.

Employees not eligible to participate in the TRS program (typically part-time employees, less than 20 hours a week) are required to contribute to Social Security.

For example:

- Substitutes (that have NOT retired from TRS) will pay Social Security and Medicare
- Substitutes that HAVE retired from TRS will pay Medicare only; (no Social Security or TRS contribution)

Teacher Retirement System of Texas

Teacher Retirement System of Texas administers a defined benefit retirement plan that is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The pension trust fund provides service and disability retirement, as well as death and survivor benefits, to eligible Texas public education employees and their beneficiaries. Retirement benefits are financed by member and state contributions. Beaumont ISD participates in the Texas Teacher Retirement System as authorized by law.

Employee contributions to TRS are made on a pre-tax basis in the amount of 7.7% of gross salary (prior to tax withholdings). In addition, the state of Texas contributes an equal amount up to the statutory minimum salary amount for each employee. Each employee is also required by TRS to contribute to the TRS-CARE health insurance program (insurance provided to retired members) in the amount of 0.65% of gross salary.

Employees that separate from Beaumont ISD have 3 choices regarding their TRS contributions:

1. Retire from TRS
2. Request a refund from TRS for contributions
3. Leave retirement contributions with the TRS System until eligible for retirement

For additional information about TRS, you may visit: www.trs.state.tx.us

Federal Withholdings

All school district employees are required to have some amount of federal tax withheld from their check and remitted to the federal government. The amount deducted from an employee's check depends on how many exemptions and the filing status claimed by the employee.

The IRS form W-4 is the document used by each employee to document his or her filing status (single, married, married but withhold at the higher single rate) and number of exemptions claimed. Employees usually fill out this form when they first come to work, but they may change their exemptions or status as needed **at least 2 weeks prior to the affected pay date.** (See the "W-4" section of this manual for additional information regarding the W-4 form).

Medicare Withholdings

All employees that were hired after March 31, 1986 are required to pay 1.45% of their gross pay to the federal government for Medicare.

Wage Garnishments/Court Orders

Beaumont ISD is required by law to comply with wage garnishments (IRS tax levies, student loan defaults, bankruptcy orders, etc.) and court-ordered child support. Child support and wage garnishments are processed by the payroll supervisor only when properly received from an appropriate court of jurisdiction or by the Attorney General's office.

Workers' Compensation

If a Beaumont ISD employee is unable to work due to an on-the-job injury, Workers' Compensation benefits begin to pay a portion of the employee's wages **on the 8th day after the injury** (5 workdays, plus weekend).

The first 7 days of lost time are not compensated by the Workers' Compensation carrier. This means that the employee must use 5 full leave days or be docked if all leave is exhausted.

Temporary Income Benefits (TIBS) are typically paid at 70% of the employee's average weekly wage (beginning on the 8th day after injury) and are paid by TASB Risk Management Fund.

Under Texas law, an injured employee is not allowed to receive more than 100% of their pre-injury income.

Optional Payroll Deductions

Professional Membership Dues

Contact the organization representative for enrollment information. Once enrolled, the organization will forward the dues information to the payroll department and payroll will set up the monthly membership dues on payroll deduction.

Rollover memberships continue from year to year until the employee cancels directly with the professional association. The organization will forward to the payroll department the authority to cancel the payroll deduction.

Leave & Absence Processing

Leave Day

A “leave day” for purposes of earning, use, or recording shall mean the number of hours per day equivalent to the employee’s usual assignment, (6 hours, 7 hours, 8 hours).

Earning Leave

The District will make state personal leave and local leave for the current year available for use at the beginning of the school year. If an employee separates from employment with the District before his or her last duty day of the year, or begins employment after the first duty day, state personal leave and local leave shall be prorated based on the actual time employed. (See “Pay Upon Separation” section in this manual for additional information).

An employee will not earn any local leave when he or she is in unpaid status. An employee using full or proportionate paid leave shall be considered to be in paid status. The amount of leave that an employee earns is based on their assignment and the number of workdays; please refer to Board policy for details regarding how much leave time is earned.

Sick Leave (Local)

Local sick leave may be used for illness of the employee; illness of a member of the employee’s immediate family; or death in the employee’s immediate family. Refer to Board Policy DEC (Local) for a definition of the term “immediate family”

Sick Leave (State)

State sick leave may be used for illness of employee; illness of a member of employee’s immediate family; or death in the employee’s immediate family. Not all employees have state sick leave, Education Code was updated beginning with the 1996 school year and if employees were employed by a District their service record would reflect such leave.

Personal Leave (State)

State personal leave may be taken at the employee’s discretion.

Vacation

Vacation leave is available to employees working 235 days or more per year. Vacation leave may be used with the supervisor’s prior approval. Please review Beaumont ISD board policy DED (LOCAL) for a complete definition of vacation leave.

Employees hired/promoted prior to July 1, 2001:

Full time employees working **235-242** days shall be entitled to vacation time based on length of employment with Beaumont ISD as follows:

1. At the end of the first year of full-time employment through June 30 of the 7th year: 2 weeks paid vacation **to be used between July 1 and June 30.**
2. At the end of the eighth year of full-time employment through June 30 of the 15th year: 3 weeks paid vacation **to be used between July 1 and June 30.**
3. At the end of the sixteenth year of full-time employment and thereafter: 4 weeks paid vacation **to be used between July 1 and June 30.**

Full time employees working **243** or more days shall be entitled to vacation time based on length of employment with Beaumont ISD as follows:

1. At the end of the first year of full-time employment through August 31 of the 7th year: 2 weeks paid vacation **to be used between September 1 and August 31.**
2. At the end of the eighth year of full-time employment through August 31 of the 15th year: 3 weeks paid vacation **to be used between September 1 and August 31.**
3. At the end of the sixteenth year of full-time employment and thereafter: 4 weeks paid vacation **to be used between September 1 and August 31.**

Employees hired/promoted after July 1, 2001:

Full time employees working **235-242** days shall be entitled to 12 days of paid vacation time **to be used between July 1 and June 30.**

Full time employees working **243** days or more shall be entitled to 12 days of paid vacation time **to be used between September 1 and August 31.**

Unused vacation days cannot be carried over to the next assignment year. Employees shall not be paid for unused vacation days. At the end of the assignment year, vacation balances will be cleared.

Leave Balance Carry Over

Local sick leave, state sick leave, and state personal leave will carry over year to year. **Vacation leave does not accumulate and does not carry forward into the next assignment period.**

Reporting Absences

Employees are required to notify their supervisor if they will not be at work. They must also enter their absence via TEAMS employee self-serve.

Using Leave

For positions in which a substitute is normally required, leave shall be recorded in half-day increments, even if a substitute is not employed. For positions in which a substitute is not normally required, leave shall be recorded on an hourly basis.

Campus/department timekeepers will enter the type of leave to be used for the absence. If the employee is out of the type of leave entered for the absence (e.g. Local Leave), TEAMS will look at all other types of leave EXCEPT vacation. If all other types of leave (State & Personal) are exhausted, TEAMS will process a dock for the absence.

Note: TEAMS will not deduct from available vacation leave unless the absence is entered as vacation leave.

Absences 5 or more days

When an employee is absent from duty for 3 days or more due to personal illness, they must provide a doctor's note to their campus supervisor upon return.

Leave Absence Correction

Corrections to recorded leave from a prior pay period can only be made by submitting a completed TEAMS Attendance Correction Form to the payroll department. (For example, to change from sick leave to release authorized for attending a work-related conference, or to change a sick leave absence to a vacation absence, etc.). The TEAMS Attendance Correction form must be signed by the employee's Principal or Director.

Jury Duty

Employees must provide a receipt from the court when they are absent for jury duty. The jury duty receipt should be submitted to the employee's supervisor.

Retirement/Resignation

Employees planning to retire or resign need to notify their supervisor and also the Human Resources department as soon as possible. Employees should contact the Teacher Retirement System at 1-800-223-8778 to obtain a retirement packet. The retirement packet will contain several forms. The employees will need to bring the **TRS-7 Form (Notice of Final Deposit Before Retirement)** to the payroll department. The employee will need to complete the following information on the TRS-7 prior to bringing it to the payroll department:

- name
- social security number
- retirement date

Pay upon Separation from the District

Employees that leave Beaumont ISD before completing their calendar year assignment will receive their final check according to the regular payroll calendar.

If an employee separates from employment before the last duty day of the school year, the employee's final paycheck shall be reduced for:

1. State personal leave the employee used beyond his or her pro rata entitlement for the school year; and
2. Local leave the employee used but had not earned as of the date of separation.

If an employee uses more local leave than he or she earned and remains employed with the District through his or her last duty day, the District shall deduct the cost of the excess leave days from the employee's pay in accordance with administrative regulations

Time Clock Policy Guidelines

Official Time of Record

TEAMS swipe cards are issued to all full-time employees. All employees must swipe IN at the start of their shift and swipe OUT at the end of their shift each day. In order to ensure the consistency of treatment for hourly paid employees, the data recorded in the electronic time clock system shall be considered as the “official” record of the workday.

Employees clocking in 7 minutes or later after their scheduled starting time will be recorded as tardy. Employees shall not clock out before their scheduled ending time unless authorized to do so by their supervisor.

Unapproved Time cards

Supervisors are required to approve all swipes and submit time swipe reports to the payroll department according to the payroll deadlines listed on the annual payroll calendar.

TEAMS will not approve a blank time card. Therefore, any days that an employee did not swipe in or report an absence will need to be addressed by the time card approver prior to submitting the time swipe report to the payroll department.

Falsification, Tampering, and Unauthorized Viewing

The following infractions are prohibited and may be subject to immediate corrective action, up to and including termination:

- Any attempt to tamper with timekeeping hardware or software
- Swiping in or out for another employee
- Interference with another employee’s use of the swipe clock system
- Unauthorized viewing of another employee’s time in the swipe clock system
- Possession of another employee’s badge at any time
- Possession of another employee’s password for the TEAMS employee self-serve center

Swipe Clock Malfunctions

If an employee is unable to swipe in or out because of a swipe clock malfunction, accidental oversight, or other reason, it is the employees responsibility to immediately inform their supervisor of the situation. In this situation, the supervisor will manually enter the employee’s time into the TEAMS time card system. The supervisor is to report the swipe clock malfunction to the Beaumont ISD Information Systems Department at 617-5072.

Unreported Hours:

The FLSA does not permit an employer to benefit from the work of a non-exempt (hourly) employee without compensating them for such work. Any time spent working while not clocked in (for example, working “off the clock”) is strictly prohibited. Employees are required to clock in before performing any work and are not permitted to clock out until all work has stopped. Employees that under-report or fail to report hours worked are subject to corrective action. Examples of “working off the clock” may include:

- Voluntarily continuing to work at the end of regular working hours
- Taking work home to complete on the weekend or in the evening
- Checking/reading/reviewing work-related emails or listening to work-related voicemail messages while away from the office or workplace
- Answering phones, emails, or attending to customers while on lunch break

Once an employee is clocked in, he/she is responsible for starting work. When a shift has been completed, it is the employee’s responsibility to clock out. Employees conducting personal business or simply not working while clocked in may be considered “riding the clock” and could be subject to corrective action. Some departments require employees to leave their workstation for lunch and breaks. Check with your supervisor regarding the policy in your area.

Disputes Regarding Time

In the event an employee has a dispute over time that was clocked in or out, they should bring it to the attention of their supervisor immediately.

Time and Attendance

Non-exempt (hourly) employees are obligated to record actual hours worked. Non-exempt employees that are “on-call” for the district are required to record all time associated with their duties which may include responses to phone calls beyond their regular work schedules.

If a supervisor requests that an employee work “off the clock” or otherwise instruct him/her to work without recording their time, the employee must report this incident to the payroll supervisor. Failure, by a non-exempt employee, to comply with this reporting requirement may result in disciplinary action up to and including termination.

Lost or Missing Swipe Card

Please contact the Human Resources department to report a lost or missing swipe card and to obtain a replacement.

W-4 Forms

Processing of IRS W-4 Forms

The IRS regulations recommend that all employees review their W-4 status each year.

If no W-4 is filed, the employee's withholding is based on a default of single status with zero dependents.

Beaumont ISD is not required to verify the accuracy of the information on an employee's W-4; however, the payroll department cannot knowingly accept an invalid form. A form is invalid if it is altered (e.g., sections are crossed out or information other than the requested entries has been added) or if the employee indicates that it contains false information. If forms are received illegible or incomplete, withholdings will be made as if the employee is single and claimed zero allowances.

W-2 Wage & Tax Statement

Processing of IRS W-2 Forms – (Annual Wage and Tax Statements)

Beaumont ISD produces employee W-2 Wage and Tax Statements for a calendar year, and distributes to all employees no later than January, 31. Total wages are wages paid from January - December of each year; (*not school year*).

Employees may print or view their W-2 forms from the employee self-serve center. Please see “Employee Self-Serve Center” section in this manual for information about using the TEAMS employee self-serve center.