

PAYROLL CONSOLIDATION

EMPLOYEE CLASSIFICATIONS – POLICY AND PAYMENT PROCEDURES

1. **SINGLE LOCATION EMPLOYEE:** Employee working in one Archdiocesan location.

Payment Policy: Employee is paid through UltiPro and utilizes an electronic timesheet in UltiPro Time Management (UTM).

Exempt (Salaried) Employees: A position that is exempt from overtime and is not covered by the Fair Labor Standards Act (FLSA) because it meets **BOTH** the salary (\$455/week) and job duties criteria for exemption. Exempt positions are managed by job duties and responsibilities, not hours. It is inappropriate to track exempt employee hours.

Time Management is auto-populated with the employee's schedule and the employee is only responsible for entering exceptions (holiday, vacation, sick) into the timesheet.

**Note: Auto Population of the timesheet has not been implemented at all locations yet. Payroll Services is still working on collecting schedule information from locations and building the schedule programming in UTM. This should be implemented throughout all location's no later than March 2016.*

Non-Exempt (Hourly) Employees: A position that is covered by the Fair Labor Standards Act (FLSA) regulations regarding payment of overtime for all actual hours worked over 40 in a defined work week. Currently, any employee not earning at least \$455/week is automatically classified as non-exempt, with the exception of teachers. If the employee meets the salary test he/she will also need to meet the job duties test which analyzes the amount of "exempt" work comprised in the employee's actual job duties.

Non-exempt employees must record actual hours worked each work week. Employees are responsible for entering actual hours worked each week into their timesheet in UltiPro Time Management. Non-exempt employees must receive overtime pay for hours worked over 40 in a workweek at a rate not less than time and one-half their regular rates of pay. FLSA regulations does not require overtime pay for work on Saturdays, Sundays, holidays, or regular days of rest, unless overtime is worked on such days.

2. **MULTIPLE LOCATION EMPLOYEE:** Employee working in two or more Archdiocesan locations. Payment policy: see (a) through (e) for pay group information below.

Affordable Care Act Measurement and Benefit Eligibility: Even though an employee may not be eligible for benefits based on scheduled hours, the determination of benefit eligibility is based on the actual hours measured within the standard measurement period each year. This

could mean that the location(s) may be responsible for benefits for the next plan year for employees based on the measurement results and not only on expected scheduled hours.

Home Location: This is defined by the following criteria, in this order: 1) The location in which the employee receives benefits; 2) Where the employee has the most hours; and/or 3) Where the employee has the greatest seniority.

Hiring Policy – Regular Positions:

- Prior to hiring a new employee determine whether they are currently employed at another Archdiocesan location.
- If the candidate is employed at another Archdiocesan location, the hiring request must be reviewed by Human Resources on a case-by-case basis taking into consideration exempt/non-exempt classification of the positions.
- Each location must provide Human Resources with an accurate job description so the position may be appropriately classified (exempt/non-exempt). No employee may be classified exempt in one position and non-exempt in another.
- If all locations and HR agree to the hire, the locations must complete a **“Multi-Location Employee Agreement”** before an offer is made to the candidate. This agreement will outline specifics regarding the sharing of employment costs between the locations.
- The hiring location will not be able to enter the employee’s information into UltiPro if his/her social security number is already associated with another location. Only Payroll Services will be able to add a multi-location hire. Human Resources will send all approved Agreements to Payroll Services for UltiPro entry.

A. School/Parish Multi-Location Employee: Employee working at both a parish and that parish’s school location.

Payment Policy: The parish and school will complete the Multi-Location Employee Agreement and work internally to determine the appropriate method to charge back the shared costs of employment and will not be part of the Multi-Location Pay Group. The home location will maintain ownership of the employee record and timesheet. Payroll Services will sweep the home location Pay Group for Net Pay, 403b, FSA, HSA, Wage Attachments, and Employee/Employer Taxes.

B. Benefit Eligible Multi-Location Employee: Employee is working 30 or more hours at one Archdiocesan location and works additional hours at one or more other Archdiocesan location. The employee’s home location, where benefits are paid, will be the designated Pay Group for the employee and will not be part of the Multi-Location Pay Group. The home location will maintain ownership of the employee’s record and timesheet. Payroll Services will sweep the home location Pay Group for Net Pay, 403b, FSA, HSA, Wage Attachments, and Employee/Employer Taxes.

Benefits affecting a multi-location employee begin with pension eligibility at 1,000 hours in a plan year; then proceed to time off eligibility at 20 hours per week and then reach health benefits at 30.

(1) PAYMENT POLICY FOR BENEFIT ELIGIBLE EXEMPT MULTI-LOCATION EMPLOYEES:

- Exempt employees are not required to receive extra compensation for extra work, but employers may provide extra pay (**project pay**) and still maintain the employees' exempt status. Positions are managed by duties and responsibilities – NOT hours.
- The employee will be entered into his/her designated "*Home Location Pay Group*" and the home location will pay one check to the employee. The employee will NOT enter time directly into UltiPro for the second location. The agreed upon additional compensation for the second location assignment will be paid to the employee as a project pay amount one-time or on-going, per pay period, for as long as the secondary duties continue.
- The employee will have one PTO bank at their home location and will be paid by the home location. The home location can split the cost of the sick and/or vacation time taken as per the Multi-Location Agreement based on a pre-agreed ratio of how the employee splits their time between the two (or more) locations.
- The secondary location completes the **Exempt Employee Project Pay Form B** and submits that to the employee's home location supervisor/payroll administrator for signature. This form outlines the date(s) and nature of the work requested, the amount of payment to be added to the employee's paycheck (including taxes and pension), and any other potential costs.
- Once work has been done, the secondary location should contact the home location to let them know that the employee has performed the work and it is OK to pay. The secondary location will send the home location a check for the agreed upon amount that will be paid to the employee.
- The home location will add the lump sum amount from the Multi-Location Employee **Exempt Project Pay Form** to the next pay cycle by submitting a Frequent Other Earnings or Infrequent Other Earnings spreadsheet to Payroll Services and CC: a copy to the employee.

(2) PAYMENT POLICY FOR BENEFIT ELIGIBLE NON-EXEMPT MULTI-LOCATION EMPLOYEES:

- Non-exempt employees will only be eligible for regular position and one-time project assignment multi-location work within the Archdiocese after careful review and consideration of the nature of the work, hours and shared costs to be incurred by each location. The **Multi-location Employee Agreement Form A** must be completed by all locations before an offer can be made for either a regular position or one-time project assignment.

- **Regular Positions:** A copy of the agreement must be sent to Payroll Services which will then enter the employee's second regular position in UltiPro. This will include the second assignment location, job, and rate of pay.
- Actual hours worked for each location **must be recorded in UltiPro** by the employee and approved by the designated supervisor for each location.
- All combined hours worked over 40 are eligible for overtime and the locations must agree to a method of sharing the cost of potential overtime and PTO, as appropriate.

C. Non-Benefit Eligible Multi-Location Employee: Employee works less than 30 hours per week at two or more Archdiocesan locations and does not receive benefits from a designated home location. Employee will be entered into a Payroll Services managed "*Multi-Location Pay Group*" as opposed to being paid directly through their designated home location pay group. The home location will maintain ownership of the employee's primary record and timesheet for home location changes. Payroll Services will maintain all additional records and timesheets. Payroll Services will process the Multi-Location Pay Group and manually sweep all worked locations for Net Pay, 403b, Wage Attachments, and Employee/Employer Taxes.

PAYMENT POLICY FOR NON-BENEFIT ELIGIBLE MULTI-LOCATION EMPLOYEES (REGULAR POSITIONS):

- All approved non-benefit eligible multi-location employees will be placed in a multi-location pay group that will be managed by Payroll Services.
- Only the home location will have access to the employee record as well as access to run a Pre-Check Detail Register report prior to Payroll Services posting the multi-location pay group. Payroll Services will not be able to send the report out.
- Locations in which the employee works will not have visibility (for approval) of the employee's timesheet until Payroll Services provides access to the employee's secondary location supervisor / payroll administrator.
- Payroll Services will manage each employee on a case by case basis, with the assistance of Human Resources, to ensure all appropriate regulations are being considered.
- The sweep allocations are manually handled after the payroll is posted. Once posted, Payroll Services will create and distribute a Payroll Sweep Detail report and Payroll Detail Register report to all the multi-location employee's worked locations. The reports will be distributed by email as PDF attachments.
- Exempt employees will receive lump sum "project pay" for the additional work, not tied to hours.
- Non-Exempt employees will enter all actual time worked, by location/job, and will receive overtime at a combined rate for all hours worked over 40 in a work week.

D. Substitute Teachers: Employee works in a substitute teaching position at one or more Archdiocesan school locations.

- All Substitute Teachers need to be in AESOP and be hired into the Sub Pool 3015. The only Substitute Teachers that will not be part of Sub Pool 3015 are Substitutes who work at Locations 0266 St. Elizabeth Ann Seton & 0267 Pope John Paul II, both of these locations are not part of the payroll consolidation. Substitute Teachers will be hired directly into those locations and not be paid from the Sub Pool for hours worked there.
- Long term Substitute Teachers will be part of the Sub Pool 3015.
- A Substitute Teacher can be part of the Sub Pool and be hired at a location for a Non-Substitute Teacher position. Under this scenario the employee would have two profiles, one in the Sub Pool 3015 and one at the actual location they are working at in a Non-Substitute Teacher position.

PAYMENT POLICY FOR SUBSTITUTE TEACHERS:

- Employees will enter their own hours into UltiPro Time Management each day and code the hours to the correct Location and Job code.
 - If the hours are not entered by the employee or are submitted late they need to be sent to the Office of Catholic Schools for entry into Time Management.
 - For accuracy and internal control purposes, PSO can't enter in hours for the employees as PSO does not know if the hours were actually worked and if the correct school is being charged.
- Timecards need to be reviewed and approved each pay period by the Schools Payroll Administrator. Access to ALL Sub Pool UTM timesheets have been given to location payroll administrators.
- Once timecards are approved, Schools will submit the Payroll Processing Submission Form to the PSO email address.
- Payroll Services will import the hours from Time Management and send the Schools Payroll Administrator the Pre-Check Detail Listing Report for review.
- The sweep allocations are manually handled after the payroll is posted. Once posted, Payroll Services will create and distribute a Payroll Sweep Detail report and Payroll Detail Register report to all the multi-location employee's worked locations. The reports will be distributed by email as PDF attachments.

DOCUMENTS ATTACHED:

- A. Multi-Location Employee Agreement**
- B. Multi-Location Employee Exempt Project Pay**
- C. Multi-Location Employee Flowchart**
- D. Payroll Administrator FAQ**