

2400.2 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 September 6, 2017, Item A-1.

:3 DIRECTION:

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

:4 FUNCTIONS:

A. General Information

The Payroll/Human Resource Information System (HRIS) allows Human Resources and Payroll to share employee information, and is integrated with the City's Financial Information System. Within the system, Pay Period Schedules are set up to establish pay period start, pay period end, and payment dates. Close coordination is required between City Departments, Human Resources and Payroll to ensure that accurate and timely data is entered, that accrual balances are accurate (e.g., sick, vacation, and compensatory time), and all earnings/deductions are accurate for each employee. Payment will be limited only to employees who were active at the end of the current pay period in process. The following pay groups have been established:

- a) Bi-weekly General – The Laborers' International Union of North America (LIUNA), Services Employees International Union (SEIU), Seasonal, and Non-bargaining (Exempt and Non-exempt) Employees
- b) Bi-weekly OPD – Police Department Employees
- c) Bi-weekly OFD – Fire Department Employees

B. Reporting and Approval of Employee Time

1. Bi-weekly General non-exempt employees and all Fire and Police (exempt and non-exempt) employees time is entered and calculated through an electronic time and attendance system.
2. Exempt employees will use the Payroll/HRIS system to record time off and certify worked time.
3. Completion of Time Reporting
 - a) Exempt employees should certify that all hours worked and all hours of paid leave are accurately reported. Exempt employees are attesting that a minimum of 40 hours per week were worked or charged to an appropriate time off category. Exempt employees are paid on a salaried basis,

regardless of hours worked, subject only to the exceptions permitted under the Fair Labor Standards Act (FLSA). It is the policy of the City of Orlando to comply with the salary basis requirements of the FLSA. Exempt employees using the Payroll/HRIS system should review, certify, and submit their time at the end of each week. Exempt employees using the time and attendance system should review and approve their time card at the end of the pay period.

Exempt employees will not utilize time clocks or records to track total “hours worked” on a day-to-day basis. Exempt employee may, however, maintain precise time and attendance records for the express purpose 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 and increase in budget for requesting additional staff.

Exempt employees with unpaid time off must record the number of unpaid hours in the system in which they are reviewing and approving their time. Exempt employees who are not eligible to use time off or have exhausted their available time off must record unpaid (no pay) time for any non-worked hours.

- b) Non-exempt employees must record time worked and time off hours in the electronic time keeping system. Time should be recorded daily. All non-exempt full time employees should account for a minimum of 40 hours each week (worked and time off). The time and attendance system calculates hours to be paid based on City Policy, Union Contract, and FLSA guidelines (see Section I –Fair Labor Standards Act). At the end of the pay period, non-exempt employees must review and approve their time in the electronic time keeping system.
- c) Each departments approving manager, or designee shall approve through electronic signature that each employee reported time (worked or time off) is accurate no later than 10:00 AM Monday after the end of the pay period, which is the week payroll, is paid.
- d) Except for emergencies, as outlined below in Section D, employees will only receive pay during their regular pay cycle. Employees and their manager are responsible to schedule and submit time (worked or time off) at the proper time.

C. Additional Compensation and Reimbursement

- 1. Automatic Payments are configured in the Payroll/HRIS system to be paid based on scheduled dates and eligibility. These payments include but are not limited to, Auto Allowance, Permitting Licenses/Certifications, Automotive Service Excellence (ASE) Licenses, Tool Allowances, Police Educational Incentive Pay and Shoe Allowance. Bargaining Unit agreement will specify eligibility requirements and payment terms.

2. Additional compensation/reimbursement for such items as shoe/clothing reimbursement, and all other authorized reimbursements, must be submitted to Payroll by 3:00 PM Friday prior to the pay period end date with appropriate forms and receipts.
3. Police additional compensation/reimbursement includes, but is not limited to, Officer Patrol Pay (OPAT), Lieutenant Patrol Pay (LPAT) and Sergeant Patrol Pay (SPAT) which is automatically paid each payday to eligible employees as approved by the Police Department. Extra Duty (City Event or Third Party Event) is paid bi-weekly as submitted by Police Fiscal Management.
4. Fire additional compensation/reimbursement includes, but is not limited to, Fire Team Special Pays which are paid quarterly based on input from Fire Fiscal Management. Extra Duty (City Event or Third Party Event) is paid bi-weekly as submitted by Fire Fiscal Management.
5. Non-cash fringe benefits includes, but is not limited to, personal use of City vehicle, group term life, medical imputed income, and City event tickets. Non-cash fringe benefits are included in taxable wages as required by IRS guidelines. These benefits are recorded automatically or through input by City Payroll staff.

D. Adjustments, Corrections, and Emergency Check Requests

1. Adjustments and corrections needed for prior pay periods due to inaccurate or misreported hours or pay need to be requested using the Adjustment Pay Request form. All adjustment/correction requests must be submitted within two bi-weekly pay periods following the incorrect pay period. The adjustment/correction will be made in the next available pay cycle.
2. Emergency check requests must be submitted to Payroll via e-mail or memo from the employee's Department Director or Division Manager. Emergency checks will be issued at the discretion of the Payroll Manager. If an off-cycle demand check is requested and approved for processing, but the request is due to an error on the part of the employee or the department, an administrative fee, as determined by the Chief Financial Officer, may be assessed to the employee's department.

E. Terminations

1. Terminations are initiated through the Payroll/HRIS system by the employee's manager and should include the Manager Termination Checklist which indicates if the employee owes any money to the City. Once approved by the manager, the termination is approved by the Human Resource Benefits Section who will attach the Benefit Termination Checklist and Retirement Service Award Form, if appropriate. The termination must be initiated and approved by 3:00 PM Friday prior to the pay week to ensure the employees final check, including pay out of accrual balances, and withholding of money owed to the City, can be processed timely.
2. Final pays will be processed using the employee's current payment election. Any final pay in the form of a check will be distributed to Human Resources – Benefit Section for distribution to the employee.

F. Pay Distribution

1. Pay day at the City is on Friday (except when a bank holiday falls on Friday). Checks are available for pick up by a designated Department/Division representative after 12:00 PM Thursday in City Hall at the 4th floor reception desk. The designated representative will disburse checks to employees on Friday. Employees not scheduled to work on Friday may be given their checks at the end of day Thursday.
2. Deposit notices are accessed through the Payroll/HRIS system and are available once the current pay cycle has been finalized. Funds are not available in employee accounts until pay day. The timing of when the funds are available will depend on the employee's banking institution's policy.
3. The Department Director/Division Manager is responsible for the proper distribution of payroll checks to employees.

G. Payroll Deductions

1. In addition to required Payroll Tax withholdings, payroll deductions are made for withholdings required by Internal Revenue Service withholding orders, State Child Enforcement Units Income Withholding Order for Support, other court orders, City administrative fees as authorized by the court and allowed by law according to each order, and other City required deductions. The amount of the City administrative fees will be determined by the Chief Financial Officer.

Other deductions may be withheld with employee authorization, which include but are not limited to, benefit deductions, pension related deductions, union dues deductions, workplace giving deductions, and other authorized miscellaneous deductions (for example, pay back of equipment damage, payments made in error, etc.). One-time deductions for the benefit of the employee will not be authorized.

H. Explanation of Terms Related to Compensation

1. Travel Time (Reference 808.35 – Work Week and Overtime)
 - 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 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 a private automobile is used in travel away from the usual work 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 (2) modes of travel will be used in determining hours worked.
2. Differential Pay (Reference 808.10 – Shift Differential)
- a) Classified non-civil service employees assigned to a permanent evening or night shift receives a differential pay for regular hours worked in addition to their regular wage. Provisions of bargaining unit agreements shall prevail for all employees covered under the agreement.
3. Call Back Time (Reference 808.35 – Work Week and Overtime)
- a) Any non-civil service employee called back to work after regular working hours shall be guaranteed a minimum of four (4) 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.
 - b) The four (4) hour minimum guarantee shall apply only to the first call back in each twenty-four 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 twenty-four-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 808.35 – Work Week and Overtime)
- a) 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.
 - b) 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 are paid as hours worked at the appropriate

rate with no minimum and the number of standby duty hours will be reduced accordingly.

5. Meal Time – Rest Periods (Reference 808.35 – Work Week and Overtime)

- a) Meal time is not work time. The employee must be completely relieved from duty for the entire meal time period.
- b) Rest periods (coffee breaks) are counted as working time and may be granted as the business needs of the Department allow.
- c) Meal time pay is prohibited unless specifically provided in collective bargaining agreements.

I. Disasters and Emergencies

1. In the event of a declared emergency or disaster, Payroll will instruct departments to track time and document work tasks using specific disaster codes related to response and recovery efforts to help ensure that the City can recover eligible costs through federal and state disaster assistance programs or other sources.
2. In the event of an emergency and if Payroll cannot obtain current payroll information for processing, employees will be paid the same as in the previous pay period. Reconciliation of actual time worked versus time paid will be done as soon as possible and necessary adjustments made.

J. Fair Labor Standards Act

1. The Fair Labor Standards Act (FLSA) also known as Federal Wage-Hour Law sets the minimum wage and overtime rates employees must receive for their work; requires recordkeeping by employers; places restrictions on the types of work children can do and the hours they can work; mandates equal pay for equal work.
2. FLSA requires that non-exempt employees be paid at least 1 ½ times their regular rate of pay for all hours physically worked over 40 in a work week. An exception to this requirement is non-exempt employees engaged in Fire Protection or Law Enforcement. Overtime for these employees is based on a 28-day cycle. For Fire Protection employees, overtime is required for hours worked in excess of 212 hours in the 28-day cycle, and for Law Enforcement overtime is required for hours worked in excess of 171 hours in the 28-day cycle.
3. FLSA allows public sector employers to provide compensatory time instead of overtime pay. Local government employers can give non-exempt employees at least 1 ½ hours of paid compensatory time off for each hour of overtime worked rather than paying a premium rate for the overtime.
4. It is the City's policy that non-exempt employees shall not work outside of their normal schedule 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.

K. Department/Division Record Keeping

Each Department/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:

All payroll forms are electronic and are accessible through the City's intranet site or are accessed and entered in the City's Payroll/HRIS system.

Adjustment Pay Request and Work Hire Class Pay Request forms are located on the City intranet site, accessed, and entered online.

Manager Termination Checklist is included in the Payroll/HRIS system.

Benefit Termination Checklist and Retirement Award Form are included in the Payroll/HRIS system.

: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; policy section # changed from 670.1 and amended September 6, 2017, Item A-1.

:8 EFFECTIVE DATE:

This policy is effective September 6, 2017.