

Procedure Number: AC005

Date: February 26, 2004  
Revised: August 8, 2023



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Rick Evans, Executive Director

Title: Procedure to document the duties and responsibilities of The University Corporation Human Resources and Payroll Departments concerning personnel and payroll.

Statement

This procedure is established to ensure the proper segregation of duties and responsibilities between Human Resources and Payroll Department personnel.

Purpose

To provide The University Corporation, (TUC), with a procedure that identifies and segregates the duties and responsibilities connected with entering and maintaining employee payroll information.

Procedure

TUC Payroll and Human Resources personnel are responsible for creating, maintaining, processing, and reporting payroll information for all TUC employees. This procedure will list the responsibilities and duties for each department.

Human Resources Department Responsibilities -

1. Establishes new employee information in the Automatic Data Processing (ADP), human resources and payroll system.
2. Maintains employee information on ADP system. Employee maintenance includes name changes, address changes, status changes, etc.
3. Enters all salary and wage changes. (The calculation of retroactive adjustments is done by the payroll department.)
4. Assigns fringe benefit rates at time of hire.



5. Enters terminations.
  - a. Termination process deactivates Direct Deposit
  - b. HR submits a separation form to Payroll
  - c. After Payroll processes the check it is given to HR
  - d. HR can give to supervisor as needed
6. Enters employee benefit deductions for insurance, flex spending and flex cash.
7. Pulls down invoices from provider sites and sends to payroll to reconcile.
8. Processes electronic payment to benefit providers or sends bill to Accounting for payment. Reviews discrepancies provided by payroll who audits the benefits invoices.
9. Provides audit assistance as required.
10. Coordinates the completion of employment verifications.
11. Maintains employee personnel/insurance files.

#### Payroll Department Responsibilities -

1. Inputs W-4 and DE4 information and verifies all payroll tax deductions and associated tax returns produced by ADP.
2. Performs semi-monthly payroll-processing function.
3. Enters any social security number corrections.
4. Sets up direct deposit requests and notifies employees about accessing iPay statements.
5. When HR processes terminations, they will submit a separation form to Payroll. Payroll processes the check based on the form and provides the check to HR.
6. Process all employee garnishments.
7. Creates standard reports from ADP system and any special reports as requested.
8. Runs reports for HR giving them the information necessary to know when an employee has met the eligibility requirements for enrollment in the retirement program.
9. Payroll inputs deductions related to 403(b) plans into ADP. Also enters parking deductions, cell phone, and tuition reimbursement amounts into ADP.
10. Inputs sick time and vacation monthly accrual rates and adjustments for JE upload to Peoplesoft. {real-time info avail in eTime}
11. ADP prepares the report to upload to Principal for retirement contributions within 2 business days after payday. Payroll prepares the JE to record the wire transfer into Peoplesoft.
12. Reconciles payroll information to the General Ledger.
  - a. Reconciliation to be signed and dated by preparer
  - b. Reconciliation then sent to a senior Accounting department personnel (Associate Director or higher) with backup documents for further review and to be signed and dated.
    - i. Backup documents to be included with reconciliation: Reconciliation, Payroll Register Recap, Statistical Summary, Wire confirmation,



Principal Summary from upload, payroll change report.

13. Performs the reconciliation of annual employee W-2 data.
14. Maintains employee ADP payroll files.
15. Provides assistance for audits.
16. During each payroll run, payroll staff review preview register for fringe rate discrepancies and makes updates as necessary.
17. After each payroll run, an active employee list is uploaded to CSUN. This removes person of interest status for all terminated employees and provides person of interest status for all new hires.

The ADP system administrator is the Associate Director of Human Resources. The system administrator establishes security levels and rights to each ADP module.