

Barre City, Vermont
Accounting Policy & Procedures

PERSONNEL ACTIVITY REPORTS/TIMESHEETS/TIME CARDS

Purpose

This policy and procedure established guidelines for the process for ensuring that personnel activity reports, timesheets and time cards are supported by adequate documentation, oversight and approvals.

Persons Affected

City Manager, City Clerk/Treasurer, Department Heads, Payroll Clerk, Senior Accounting Clerk, HR Administrator

Policy & Procedures

The distribution of salaries and wages must be supported by personnel activity reports, timesheets and/or time cards.

- A. Personnel Activity Reports (PAR), timesheets and time cards have the following requirements.
1. They will reflect the distribution of activity expended by City employees;
 2. They will reflect an after-the-fact reporting of the hours of activity of each employee. Estimates made before the services are performed may be used initially, provided that such charges are promptly adjusted if differences occur;
 3. They will reasonably reflect each employee's total activity for which the employee is compensated and which is required in fulfillment of their obligations to the City. They will reasonably reflect the percentage of activity applicable to and chargeable to each particular job, project or grant if applicable;
 4. To confirm that the distribution of activity represents a reasonable estimate of the work performed by the employee during the period, each PAR, timesheet or time card should be printed and signed by the employee and by a supervisor using suitable means of verification that the work was performed. In the event that the City moves to a digital time management system, submission by the employee of their weekly time record will be considered to be signed by the employee;
 5. They will be prepared and submitted on a weekly basis and will coincide with pay periods.
- B. Reports of Time and Effort
1. Reports accounting for time and effort are kept by all departments required to do so and shows by employee, the amount and percentage of compensation charged to each job, project or grant;
 2. The preliminary distribution of workload expressed in dollar amounts and percentage based on weekly salary is established by the head of each department;
 3. The reports will be provided to the payroll and accounting clerks on a regular basis. If there is a correction on a report, the report will be verified by the

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appropriate department head and sent to accounting and payroll to make the appropriate redistribution of salary expenditure.

Internal Controls

No employee shall be added to payroll records or paid without receipt of the appropriate City, state and federal forms.

Employee history files are to be maintained for all employees. Files should contain employment details, authorizations for payroll or deduction changes, annual leave entitlements. Such files are confidential, with access limited to the Human Resources Administrator payroll clerk, Director of Finance and the City Manager or designee.

Changes to employee payroll records can be made for the following reasons:

1. Employee submits a direct written request to Payroll or Human Resources requesting a change or modification to payroll records. This could be name changes, address changes, changes to contributions, deductions or other adjustments;
2. Employee deductions may be adjusted as directed by Human Resources for changes in benefits, level of benefits or benefit contributions. These changes will be in writing from the Human Resources Administrator to the Payroll Clerk and the Director of Finance. Changes will only be made after advising the employee the reason for the adjustment, unless agreed upon as part of a Collective Bargaining Agreement.

Annual salary or wage rates adjustments associated with union contracts are to be made by the Human Resources Administrator and sent in writing to the Payroll Clerk and Director of Finance. No other adjustments are made to salary or wage rates without written authorization from the City Manager.

Upon separation from employment, employee files are to be immediately removed from active employee records and filed in past employees' records. Employee payment details should become inactive in the computer system.

All staff members are to complete a timesheet, which is signed by the employee and their supervisor to authorize overtime, sick leave, etc. In the event that the City moves to a digital time management system, submission by the employee of their weekly time record will be considered to be signed by the employee.

Upon processing, all timesheets are reconciled to payroll edit report to verify number of hours have been entered correctly.

The Payroll Clerk and/or Director of Finance shall maintain records in respect of each employee showing gross salary or wages and tax and details of all other deductions.

A payroll report shall be maintained and reviewed by the Director of Finance to check for unusual rates, salary amounts or employee names.

All timesheets shall include the following:

- (a) Name of employee, department & payroll number.

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- (b) Week ending date.
- (c) Hours of work.
- (d) Allocation of time worked to jobs. (as applicable)
- (e) - Any Leave taken during the pay period. (Vacation, Comp, Sick etc.)

All employees applying for leave are to complete a Leave Request Form in advance. This form is to be authorized by the appropriate supervisor and passed on to the Payroll Clerk. Leave time is not to be paid without receipt of the appropriate authorized form.

Leave entitlements are to be updated on a weekly basis to reflect vacation, sick, Comp Time, and personal leave available and taken. This will be displayed on the employees' pay stub. Copies of the leave entitlements report will be distributed to department heads on a monthly basis for review. Employees with excessive entitlements will be encouraged to use their accumulated time.