

PAYROLL POLICY

THE SCHOOL RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART.

POLICY:

To establish the basic structure for payment of salary for the school under the direction of the Board of Directors. Payroll must be approved by the Principal and human resources prior to processing by Paychex.

PROCEDURES:

Pay Cycle

Employees are paid on the 15th and 30th of each month (24 pay periods per fiscal year). The employee's pay cycle runs on a twelve-month basis commencing with the anniversary date of hire as outlined in their contract with Pinnacle.

Payday

The paydays for the school are the 15th and 30th of the month.

Hourly Employee

Time for an hourly employee is properly approved by the individual, the supervisor (if applicable) and the principal. The school principal must verify all individual timesheets and provide authorization for the finance office to process payroll.

Change in Payrate

All employee payroll amounts are calculated based upon approved rates included in the individual's personnel file. All changes to pay rates or benefits are properly authorized by the school principal, finance office, and human resources.

Payroll Taxes

All payroll taxes are processed through Paychex. The finance office must keep a record of the payroll tax reports filed by Paychex on file.

Method of Pay

The school requires direct deposit for all employees, any exception must be approved in writing by the finance office.

Paychex

The school utilizes Paychex as the portal for payroll. All employees must be entered into Paychex portal by human resources. The finance office will work with human resources to ensure that all employees are in the system.

Human resources will review the monthly payroll schedule to ensure accuracy. After review, human resources will present each payroll register to the Principal for approval. Upon approval, the human resources will submit the payroll to Paychex for processing.

Paychex will provide all documentations associated with the payroll run to the finance office and human resources.

Per contract, Paychex is responsible for all activities associated with payroll taxes and retirement plans.

Accounting Software

After each payroll run, the finance office will record all activities in Quickbooks.

TIME AND EFFORT STANDARDS

POLICY

The school maintains procedures that provide reasonable assurance that charges to federal grants for wages are accurate, allowable, and properly allocated. The school ensures all employees who are paid in full or in part with federal funds keep specific documents to demonstrate the amount of time they spent on grant activities.

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. 2 C.F.R. §200.430(i)(1). In addition, employees who are paid from state and local funds, but whose salaries are used for cost sharing or matching, must also keep time and effort documentation.

PROCEDURES

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. In accordance with § 200.430(i)(1), these records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
- Encompass both federally-assisted and all other activities compensated by the agency on an integrated basis;
- Comply with the established accounting policies and practices of the agency; and
- Support the distribution of the employee's salary or wages among specific activities or cost objectives.

Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards but, may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed. 2 C.F.R. § 200.430(i)(1)(viii).

Time and Effort Procedures

To meet the above requirements, all employees who must complete time and effort forms must submit either a semi-annual certification or activity report as required below. The type of form depends on the number of cost objectives that an employee works on.

All employees whose work is funded fully (100%) by a single cost objective or grant award must complete a semi-annual certification. The semi-annual certification must be:

1. Completed at least every six (6) months (twice a year);
2. Be signed by the supervisor with direct knowledge of the work being performed;
3. Reflect an after-the-fact distribution of the actual activity; and
4. Account for the total activity for which each employee is compensated.
5. Completed semi- annual certification(s) must be submitted to the Federal Programs coordinator.

In addition to semi-annual certifications, a blanket certification may be maintained that incorporated the above information into a single document for multiple employees. For example, if a stipend is earned by multiple employees, the supervisor could certify a single document that the stipend was earned by the listed employees per the above requirements.

An activity report must be completed if an employee works on multiple cost objectives. An activity report must meet the following standards:

1. Reflect an after-the-fact distribution of the actual activity, not a budget estimate;
2. Account for the total work activity for which each employee is compensated;
3. Be prepared at least monthly (a separate report for each month) and coincide with one (1) or more pay periods; and
4. Be signed by the supervisor with direct knowledge of the work being performed;

Document History

Change	Date	Editor
Adopted by Board	3/23/21	Erik Miller
Reviewed and Updated	5/12/22	Mike Miller
DRAFT for BRD Approval	5/17/22	Mike Miller
Adopted by Board	5/17/22	Mike Miller