



Administration and Finance

Policy No: 3313

Policy Name:
UMB Payroll

Effective Date:
April 1, 2010

Policy:

The University of Maryland, Baltimore (UMB) will ensure employees are paid for services performed in accordance with the policies and procedures set by the University System of Maryland Board of Regents and UMB. The compensation paid to UMB employees will comply with federal and state law.

Revision Date:
N/A

Definitions and Terms:

CPB - Central Payroll Bureau, State of Maryland.

Approved by:
Marc E. Wasserman
Director
Financial Services

Purpose:

To facilitate the timely processing of payroll and define the responsibilities of the Campus Schools and Departments and the Department of Financial Services.

Approval Date:

Scope:

All employees paid from the UMB Payroll System.

Refer Questions to:
Manager
Payroll
410-706-6958

Restrictions and Exclusions:

Academic scholarships and fellowships with no service requirement.

**USM Board of Regent's
Policy Reference:**
N/A

Responsibilities:

A. Campus Schools and Departments:

1. Apply the University's Personnel Policies and Procedures uniformly and consistently.
2. Administer internal controls for payroll functions as listed on this policy.
3. Adhere to the UMB payroll schedule for payroll processing.
4. Reconcile paychecks and direct deposit advices with the check register.
5. Distribute paychecks and direct deposit advices to employees on payday.

Policy Name:
UMB Payroll

Responsibilities:

B. Department of Financial Services:

1. Create a payroll calendar and publish it on the Department of Financial Services Payroll (FS-Payroll) website according to CPB deadlines.
2. Transfer the UMB gross pay file to the CPB.
3. Distribute paychecks and direct deposit advices to department authorized personnel.
4. Notify campus schools and departments of any payroll related updates and/or issues from the CPB and University System of Maryland.
5. Assist campus schools and departments with payroll related issues.
6. Provide training to campus personnel who request UMB Payroll System access.

Related / Impacted Policies:

- A. Administration and Finance Policy No. 3352 – Working Fund
- B. USM/UMB Policies and Procedures Section II: Faculty
- C. USM/UMB Policies and Procedures Section VII: Personnel

Procedures:

I. Employee Categories:

- A. Exempt employees include Regular Exempt, Contingent II Exempt employees (refer to USM/UMB Policies and Procedures), and Academic Administrators. They are paid a bi-weekly approved salary based on their Employee Compensation Records. They are not subject to the Fair Labor Standards Act (FLSA).
 1. Timesheets are required.
 2. Departments must ensure time and leave are recorded timely in the UMB Time and Leave Reporting System in accordance with the payroll calendar published on the FS-Payroll website: <http://www.fincsvc.umaryland.edu/payroll/>.
 3. The pay for an exempt employee is not affected by time and leave entries.
 4. If a salary adjustment to the base amount is needed, the department must submit a Payroll Adjustment Form (PAF) to FS-Payroll. The form must be approved by a supervisor before it will be processed.
 5. An original PAF must be submitted timely to FS-Payroll in accordance with the payroll calendar. Late PAFs will not be processed until the following pay period.

- B. Academic employees include Faculty (except Academic Administrators), Graduate Assistants, and Trainees. They are paid a bi-weekly approved salary based on their Employee Compensation Records. They are not subject to the FLSA.
1. Time and/or leave are not recorded in the UMB Time and Leave Reporting system.
 2. If a salary adjustment to the base amount is needed, the department must submit a PAF to FS-Payroll. If a Payroll Adjustment Form is submitted for a Dean, it must be approved by the President before it will be processed. Otherwise it must be approved by a supervisor.
 3. An original PAF must be submitted timely to FS-Payroll in accordance with the payroll calendar. Late PAFs may not be processed until the following pay period.
 4. Time and leave records are maintained within each school and department (refer to USM/UMB Policies and Procedures).
- C. Non-exempt employees include Regular Non-exempt and Contingent II Non-exempt employees. They are paid bi-weekly wages based on their Employee Compensation Records and approved timesheets. They are subject to the FLSA.
1. Timesheets are required.
 2. Departments must ensure that time and leave (both paid and unpaid leave) are recorded timely in the UMB Time and Leave Reporting System in accordance with the payroll calendar published on the FS-Payroll website <http://www.fincsvc.umaryland.edu/payroll/>.
 3. Only hours approved in the UMB Time and Leave Reporting System by the approver are sent to the UMB Payroll System for processing.
 4. If a salary adjustment to the base amount is needed, the department must submit a PAF to FS Payroll. The form must be approved by a supervisor before it will be processed.
- Hours not approved by the deadline (refer to the payroll calendar) will be processed the following pay period.
- D. Contingent I employees include Contingent I Hourly Exempt, Contingent I Non-exempt, Contingent I Faculty, Contingent I Special Pay employee (refer to USM/UMB Policies and Procedures), and Students.
1. Contingent I Hourly Employees
 - a. Timesheets are required.
 - b. Not eligible for leave.
 - c. Paid at an approved hourly rate based on the Employee Compensation Record. They are subject to the FLSA.

- d. Departments must ensure hours are recorded timely in the UMB Time and Leave Reporting System in accordance with the payroll calendar published on the FS-Payroll website <http://www.fincsvc.umaryland.edu/payroll/>.
- e. If a salary adjustment to the base amount is needed, the department must submit a PAF to FS Payroll. The form must be approved by a supervisor before it will be processed.

Hours not approved by the deadline (refer to the payroll calendar) will be processed the following pay period.

2. Contingent I Special Pays

- a. Timesheets are not required.
- b. No regular bi-weekly amount is paid to this group of employees.
- c. Paid a lump sum based on the Contingent I Special Pay Agreement (refer to USM/UMB Policies and Procedures VII-1.40-1.40(A)).
- d. Departments must submit a PAF for each payment to FS-Payroll.
- e. They are not subject to the FLSA.

II. Payroll Process:

- A. FS-Payroll loads the information from the UMB Time and Leave Reporting System onto the UMB Payroll System in accordance with the payroll calendar.
- B. When the time and leave load process is complete, FS-Payroll runs the gross pay calculation process. After the pay calculation process is complete, FS-Payroll notifies the campus schools and departments by email.
- C. Upon receiving the emails from FS-Payroll, the campus schools and departments must run the Payroll Register to verify the pays and adjustments of their employees.
- D. The department payroll representative must contact FS-Payroll by email DL-BFPayrollHelp@umaryland.edu (DL-FS Payroll Help) if it is determined a correction must be made after the review of the Payroll Register.
- E. In addition to the gross pay, the Payroll Register includes Travel Reimbursements and Advance Pay Recoveries that will be sent to the CPB.
- F. FS-Payroll sends the UMB gross pay file to the CPB according to the payroll calendar.
- G. FS-Payroll receives a file which includes all the taxes, deductions, and net pay from the CPB the week after the UMB gross pay file is sent.

Policy Name:
UMB Payroll

- H. FS-Payroll reconciles the data to ensure what was sent to the CPB matches what was received back from the CPB. If no discrepancy is found, FS-Payroll loads the data into the UMB Payroll System. After the load, FS-Payroll will process the leave accrual for the pay period.
- I. FS-Payroll notifies the campus schools and departments by email after the Net Pay Process and Leave Accrual Process are complete. The department payroll representatives must run and save the Final Check Register and Leave Accrual Report from the UMB Payroll System for the pay period.
- J. FS-Payroll receives employee paychecks or direct deposit advices from the CPB. They are sorted and distributed to the campus schools and departments authorized personnel at 11am the day before payday (normal payroll schedule) or in accordance with the payroll calendar.
- K. Departments reconcile and distribute paychecks or direct deposit advices to employees on payday.

III. Internal Control:

Departments are responsible for administering proper internal controls and segregation of duties for all payroll activity.

- A. The Department Chair or Director must sign and approve the following forms:
 - 1. UMB HRMS User Authorization Form – assigning system access to department personnel. The form should be sent to the Center for Information Technology Services (CITS).
 - 2. Payroll Transaction Authority Form – listing authorized personnel to sign payroll related forms and pick up paychecks. The form should be sent to FS-Payroll. Addition or removal of authorized personnel must be submitted promptly.
- B. The employee who initiates the time and leave entries cannot be the person who approves them.
- C. An employee who is responsible for approving payroll transactions cannot be responsible for distributing payroll checks.
- D. An employee shall not approve transactions which affect the employee's own pay. A higher administrative level of approval is required.
- E. Time and leave is reported after the fact. The payroll deadlines may require the estimating of time to the end of the pay period. Adequate control must be maintained in the departments to ensure that appropriate adjustments are made for differences between estimated and actual time worked.
- F. The department payroll representative must verify that each employee on the bi-weekly payroll register should be paid.

Policy No: 3313

Policy Name:
UMB Payroll

Forms:

Forms can be obtained from the FS-Payroll website:

<http://www.fincsvc.umaryland.edu/payroll/forms.cfm>

- Payroll Adjustment Form (PAF)
- Payroll Transaction Authority
- UMB HRMS User Authorization Form

Additional Information:

IRS website: <http://www.irs.gov/>.

UPK Tutorials- Browsers on eUMB HRMS can be found on Campus Portal.