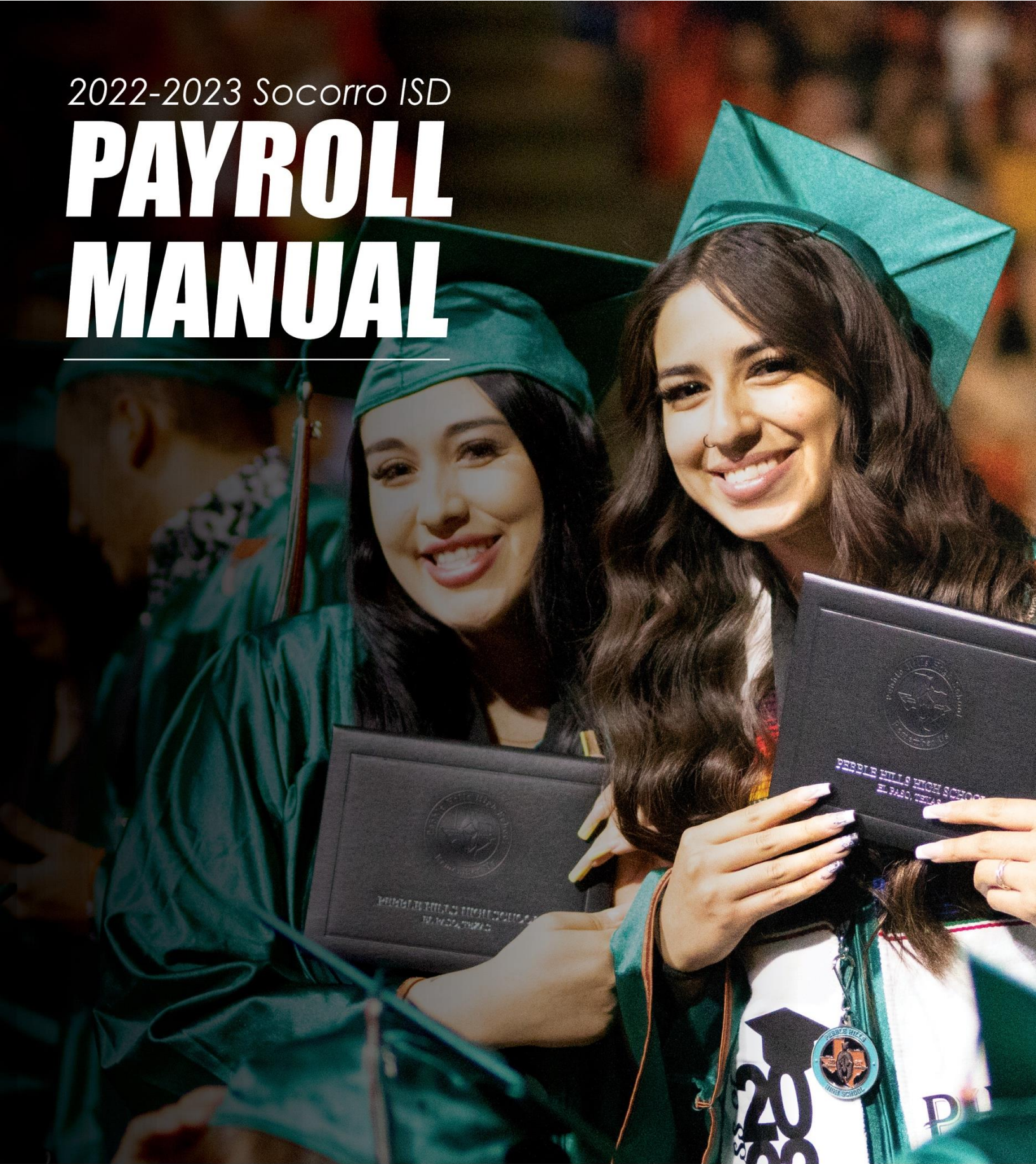


2022-2023 Socorro ISD

PAYROLL MANUAL



#TeamSISD

**SEIZE YOUR
OPPORTUNITY**

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Payroll Management at SISD

Payroll Management at SISD

Overview

I. Overview

This portion provides an overview of Socorro ISD (SISD) payroll procedures when processing compensation established by the SISD Compensation department and distribution of employee's wages. Employee wages consist of payments to salary and hourly employees, substitute teachers, overtime and extra duty pay and remitting and reporting taxes to federal and state agencies

Philosophy

A. Philosophy

- Payroll trainings and procedures are established to guide all stakeholders to adhere to payroll schedule deadlines in order to process an efficient, effective, and accurate payroll

The Payroll Management Process

B. The Payroll Management Process

- The SISD Payroll Management processes are set forth by policies, regulations, and federal labor laws to ensure district's compliance

Payroll Definitions

C. Payroll Definitions

- Monthly Pay Run: A payroll frequency in which professional and salaried employees' monthly wages are processed on a specific date of each month. Typically, the last day of the month
- Semi-Monthly Pay Run: A payroll frequency in which non-professional employees' semi-monthly wages are processed twice each month. Typically, the 15th and the last day of the month
- Hourly Employee: An employee that is paid based on the hours worked per the district's established payroll schedule as per entries registered and approved in the timeclock system.
- Substitute: An employee that works "in the place" of another employee will be compensated on a day or half day basis according to assignment registered in absence management system.
- Overtime: Time worked by a non-exempt employee who physically worked on-site and exceed over 40 hours during the workweek (from Sunday - Saturday).
- Extra Duty Pay: Additional duty pay for professional staff only who worked out of the employee's regular contract work schedule and assigned calendar.
- Extra Duty Late Submission Form: An excel timesheet that is used to process extra duty pay for professional staff that is being submitted after the deadline. Only report and adjust hours/rates that were not registered on the timeclock system.

- **Additional Period Pay:** Additional period pay approved by Cabinet is paid to a teacher at their respective hourly rate. Additional period pay hours must be registered and approved in the timeclock system.
- **Frontline Absence Management System:** The current system used to track employee's absences and pay substitute employees assignments.
- **Time Clock Plus (TCP):** The current time management system used to track time worked for non-exempt staff, process payment for hourly employees and extra duty pay.
- **Payroll Schedule:** The approved district pay schedule that indicates pay dates and deadlines for payroll processing.
- **Teacher Retirement System of Texas (TRS):** The pension plan to which all Texas Education entities contribute. Contribution rates and eligibility requirements are determined by TRS.
- **Medicare Tax:** Also known as "hospital insurance tax," is a federal employment tax that funds a portion of the Medicare insurance program.
- **Form W-4:** An Internal Revenue Service (IRS) tax form that is filled out by employees to indicate their tax situation to their employer. The W-4 form tells the employer the amount of tax to withhold from an employee's paycheck based on their marital status, number of allowances and dependents, and other factors.
- **Form W-2 (Wage and Tax Statement):** Is the document an employer is required to send to each employee and the Social Security Administration (SSA) at the end of the year. A W-2 reports employees' annual wages and the amount of taxes withheld from their paychecks.

Pay Process

II. Pay Processes

Processing hourly employee pay

A. Processing hourly employee pay

- All hourly employees are required to register their time worked on the timeclock system.
- The timeclock supervisor will verify the work segments, make any necessary corrections, and approve the work time on a weekly basis, unless otherwise specified to meet payroll processing deadline.
- Payroll staff processes hourly wage payment as per the hours registered and approved for the pay period and paid at the hourly wage stated in the employee's job salary record as maintained by the HR Compensation Department.

Processing substitute employee pay

B. Processing substitute employee pay

- Substitute employees are paid per job assignments reflected and reconciled in the absence management system.
- It is the responsibility of the substitute to ensure that all job (half day/full day) reflect correctly in the absence management system before each payroll

- deadline for the applicable pay date range. Any discrepancies should be immediately addressed with the campus responsible for that work assignment.
- c. Normally, substitute teachers are to only work and be compensated for the days in session listed on the student calendar (187 days), except for the substitute clinic/pharmacy and substitute nurse personnel.
 - d. It is the responsibility of the campus/department to reconcile all absences daily.
 - e. Campuses/Departments are responsible for coding and reconciling all substitute workdays as per the substitute coding guide for pay purposes. Any substitute work dates not coded will be charged to the campus's substitute budget account and will not be re-distributed.
 - f. Payroll will compensate and report long-term/vacancy assignments by the notations entered as "notes to administrator". Notes must be specific and coincide with reasons and account codes to determine if substitute is in a long-term or vacancy assignment.
 - g. Any missing jobs or after the fact corrections must be addressed by the campus to the HR Specialist overseeing substitutes.

Processing Overtime and Comp Time Pay

C. Processing Overtime and Comp Time Pay

- a. An overtime authorization form must be submitted to the Payroll Department to pay overtime for additional hours worked.
- b. The overtime authorization form requires both the employee and supervisor signature, overtime budget account number and the timeclock timesheet reflecting the complete work week (Sunday-Saturday). If comp time will be processed for payment, attach comp log reflecting the hours being paid out.
- c. As per the TRS Payroll Manual, accrued comp time pay is not TRS eligible compensation since it is not compensated in the pay period in which it is earned.
- d. All overtime authorization forms must be submitted electronically to payrolloffice@sisd.net by the applicable deadline.

Processing Extra Duty Pay

D. Processing Extra Duty Pay

- a. Extra duty pay will be paid and enforced as outlined in Regulation DEAA on a monthly pay basis.
- b. Extra duty is paid on the last work date of every month for the pay period activities worked from the 16th of the prior month to the 15th of the current month except in months with district closures, normally in December.
- c. It is the employee's responsibility to ensure he/she registers in/out segments correctly each time they are performing extra duty work and/or provides the correct timesheet to the campus or department responsible for the extra duty pay. The employee must use the correct job code for the extra duty being performed. A job code guide has been posted on the Financial Services / Payroll Staffnet webpage and is provided to all campuses and departments to validate correct hourly and/or flat rates.

- d. Employees may experience delays in full compensation and disciplinary measures for failing to register/submitting segments prior to the Finance/Payroll cut off dates. The time clock system extra duty approving officials/administrators may also experience disciplinary measures for failing to correct, verify and approve segments by the Finance/Payroll cuts off dates.
- e. Extra duty work segments are registered in the timeclock system. No employee will clock-in or out for any other person. Any employee clocking in or out for another employee is subject to disciplinary action and/or termination.
- f. No employee will clock-in seven minutes before the approved clock-in time. Employees are expected to clock-in no later than seven minutes after the scheduled clock-in time to avoid a late-to-work punch.
- g. The timeclock will round all punches to the closest quarter hour for pay purposes only. Employees are not allowed to punch seven minutes early or late daily excessively to simply gain more extra duty paid.
- h. Falsification of records regarding time worked will be considered good cause for immediate termination.
- i. Teachers may be required to clock in and out or the time segments may be entered by the applicable campus/department.
- j. Each work segment requires a valid extra duty budget account number to be entered in the shift note field by the campus or department responsible for the approved extra duty payment.
- k. All extra duty performed should be verified that it is allowable and payable.
- l. The extra duty approving official/administrator's electronic signature affirms that the extra duty work was performed, has been verified and is true and correct and approved for payment.
- m. Any late or missed segments not registered accordingly on the timeclock system must be processed and paid through on an extra duty late submission form in an Excel format. Forms must be filled and completed by campus/department and forwarded to the appropriate assistant superintendent for the final approval process. Once approved and signed, assistant superintendent's office must submit Excel form via e-mail to timesheet@sisd.net.
- n. Late submissions will be processed on the next applicable pay date after approved submission. Late extra duty segments not registered on the timeclock system will never exist in timeclock system as historical records.
- o. Substitute nurses are the only substitute employees that are allowed to work extra duty assignments as per regulation DEAA and must register hours worked in the timeclock system.
- p. A separate pay run will not be processed for late or missed timeclock system segments, approvals and/or submissions.
- q. It is the responsibility of the professional staff member performing extra duty activities, immediate supervisors, and/or approving administrators to ensure correct and accurate extra duty timeclock system segments are verified and correct to meet a timely payroll processing and state and federal reporting.

Base Salary and Stipends

E. Base Salary and Stipends

- a. Refer to the Compensation Manual regarding all base salary and stipend pay.

Payroll Reporting

III. Payroll Reporting

Federal Payroll Taxes

A. Federal Payroll Taxes

a. Mandatory Deductions

1. The Medicare tax is paid by both the employee and employer at the current rate of 1.45% of eligible wages.
2. Additional Medicare Tax: An additional .9% for employees that exceed earnings of \$200,000 in a single tax year. Paid by the employee only.
3. Federal Income Tax withholding is based on your earnings and information provided by an employee's Form W-4.
 - a. Form W-4 is provided to the Payroll Office when hired. Changes to the W-4 can only be made online through Munis Self Service. W-4 changes made through Munis Self Service may not be reflected until a subsequent paycheck due to payroll cut off dates.
4. Social Security tax is paid by employees that are not eligible to contribute to the TRS pension plan. Both the employee and employer at the current rate of 6.2% of eligible wages. An employee cannot contribute to both Social Security and TRS for the same earned compensation.
5. TRS eligible compensation for employees are deducted based on the following TRS contribution rates:

For pay received on or after	Member Retirement Contribution Rate	Member TRS Care Contribution Rate
9/1/2020	7.70%	0.65%
9/1/2021	8.00%	0.65%
9/1/2022	8.00%	0.65%
9/1/2023	8.25%	0.65%
9/1/2024	8.25%	0.65%

- b. Form W-2 is provided to all employees by the last day of January each year. Employees who elect the electronic delivery method will have earlier access to print/save through Munis Self Service. If an employee does not consent to receive W-2 via electronic delivery, the W-2 will be mailed on January 31st to the employee's home address.

Teacher Retirement System of Texas (TRS)

B. Teacher Retirement System of Texas (TRS)

- a. All active employees are reported to TRS on a monthly basis. The information that is reported includes but is not limited to the following:
 1. All demographic and contractual/position information is reported upon hire. Changes throughout the year are reported as adjustments.
 2. All TRS eligible compensation and applicable contributions are reported monthly
 - a. TRS Eligible Employment
 - i. Employment eligible for membership in TRS must meet the three (3) requirements listed below. Membership eligibility in retirement system is established through a single employer:
 - ii. Employment must be on a regular basis for either an indefinite period of time e.g., at-will employment, or a definite period of 4½ months or more.
 - iii. Employment must be for one-half or more of the time required of the standard workload for the same or similar full-time position.
 - iv. Salary must be comparable to the rate of pay earned by other employees in the same or similar position types. The rate of pay is comparable if it is in the range of pay set by the board of trustees or is the customary rate of pay for that position.
 3. Monthly gross salary is reported for all employees to include employees that do not contribute to TRS (i.e., Regular Substitutes)
 4. Number of hours worked in that calendar month or hours scheduled to work per week for each employee
 5. Number of days worked in that calendar month by each employee
 6. All compensation and time worked for district employees who are retired through TRS
 7. All compensation and time worked for TRS retirees who are not employees of the district but fall in the following categories:
 - a. Independent Contractor
 - b. Personnel working for a 3rd Party Entity
 - c. Volunteer

TRS Retirement

IV. TRS Retirement

Retirement Process

A. Retirement Process

- a. As a courtesy, the Payroll Department may assist employees with questions on their retirement paperwork.

- b. The Payroll Department is responsible for filling out the TRS7 Notice of Final Deposit before Retirement form. Employees must notify the HR and Payroll departments of their retirement and resignation in order for the form to be filled out accurately and on time.

Employment after Retirement

B. Employment after Retirement

a. TRS Retirees

- 1. Once TRS members retire, we see many find their way back to work in different capacities. It is the responsibility of TRS retirees to stay up to date on TRS monthly limitations. While the Payroll department tries to disseminate important information, which may impact TRS retirees, it is ultimately the responsibility of retirees to know and observe their monthly limitations. TRS posts their updated limitations chart every school year usually during the month of August. To know exactly which limitations pertain to each retiree, we always recommend they reach out directly to TRS.

b. TRS Retiree Limitations

- 1. TRS Retiree limitations vary from retiree to retiree and the Payroll department is unable to identify which limitations apply to each retiree. Monthly state reporting is submitted to TRS based on the information provided to the Payroll Department. Campuses and departments are responsible for providing accurate data. TRS retirees are encouraged to verify any data that their campus or department submits about the work performed in order to ensure accurate state reporting. While reporting adjustments and corrections may be submitted, the amount of time or the impact it may have on a TRS retiree is out of the Payroll department's control. TRS monthly limitations can be found on TRS' website -

https://www.trs.texas.gov/Pages/retirees_ear_monthly_limits.aspx.

Additional Information

- V. Additional Information: please refer to the district employee handbook for additional information not located on this manual



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