

Payroll Administration

Purpose

The purpose of this policy is to provide and explanation of how payroll is to be administered and what types of deductions can and cannot be taken into account in paying employees.

Procedure

1. Pay Periods

The FLSA requires that wages be calculated on a weekly basis unless an exception is granted by the Department of Labor, but it does not require that paychecks be issued weekly. Employees must be paid at least twice monthly.

2. Deductions from Paychecks

The FLSA requires that an employee receive at least the minimum wage as a gross wage, minus the legally required deductions. The Town is also permitted to make deductions authorized by the employee. The following is a checklist of payroll deductions:

A. Mandatory deductions

- 1) Federal Tax
- 2) State Tax
- 3) Social Security

B. Optional Deductions

- 1) Medical Insurance
- 2) Dental Insurance
- 3) Vision Insurance
- 4) Group Life Insurance
- 5) 401k Fund

3. Calculating Regular Rate of Pay

The FLSA defines regular rate of pay as excluding certain types of payments from counting toward figuring the regular rate. An employee's regular rate of pay shall not include the following:

- A. Gifts;
- B. Vacation, holiday, sick pay
- C. Reimbursement to an employee for expenses the Town incurred for travel or other purposes in furtherance of the Town's interest.
- D. Bonuses

Benefit Policy

Insurance

- A. Medical Health Insurance
It is the policy of the Town to pay the cost of health insurance for each individual full-time employee.
- B. Dental Health Insurance
It is the policy of the Town to pay the cost of dental insurance for each individual full-time employee.
- C. Optical Health Insurance
It is the policy of the Town to pay the cost of optical insurance for each individual full-time employee.

Retirement System

All full time employees are covered by the Utah State Retirement Systems. (This is in addition to Social Security coverage). Other employees are covered if they work at least twenty (20) hours of service per week for a minimum of four (4) consecutive months. Each eligible employee is required to enroll in this program by the beginning of his/her fifth month of employment.

The cost of this program is paid for by the Town. Additional details of the retirement plan are available in the Town Office.

Workers Compensation

All employees are covered by Workers Compensation, which provides medical reimbursement and disability benefits for job-related illness or injury.

Family Medical Leave Act of 1993 (FMLA)

The FMLA requires covered employees to provide up to twelve (12) weeks of unpaid, job protected leave to "eligible" employees for certain family and medical reasons. Employees are eligible if they have worked for the town at least one (1) year, and for 1,250 hours over the previous 12 months.

Additional details about FMLA are available in the Town Office.

Paid Time off (PTO)

All full-time employees are given eighty hours of paid time off PTO given at the beginning of each year.

The Town will compensate the employee for PTO taken during that year up to eighty hours. If time is not taken it does not accumulate for the previous year it is taken away.

Comp Time (CT)

All full-time employees are allowed Comp time for every hour worked over 40 hours in a work week.

Comp time is recorded by the employee and taken as the employee needs it.

Comp time can accrue up to 320 hours. Any time accrued after that is lost if the employee does not take the time off.

Holidays

The following days are legal holidays in Utah:

New Year's Day	January 1 st
Human Rights Day	January 19 th
President's Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Pioneer Day	July 24 th
Labor Day	1 st Monday in September
Columbus Day	2 nd Monday in October
Veteran's Day	November 11 th
Thanksgiving	4 th Thursday in November
Christmas	December 25 th

All employees of the Town of Randolph will observe holidays by having the day off.