CITY OF RICHARDSON
INTERDEPARTMENTAL POLICY AND PROCEDURE

Timesheet Codes and Payroll Processing

I. CITY WORK WEEK

With the exception of the Fire Department (which operates on 24-hour shifts and a 27 day work period), all other City of Richardson departments and employees operate on the designated City of Richardson work week, which begins at 12:01 A.M. Sunday and ends at 12:00 midnight on the following Saturday.

A work week must be reported as completed before overtime hours are earned and paid for that week. This is consistent with compliance with the Fair Labor Standards Act (FLSA) in that overtime is calculated only after non-exempt employees work more than 40 hours in a work week. (See Section V. - Calculation of Overtime.)

II. RECORDKEEPING

FLSA requires that daily records of hours worked must be kept for all Non-Exempt employees. **All Non-Exempt employees are to keep records of their own hours worked per work day** (or 24-hour shift in the Fire Department) **on paper forms** (that both the employees and their supervisors must sign) **OR by directly inputting their own work hours into the web-based electronic timekeeping system** (with electronic supervisory approval).

III. PAYROLL TIMESHEET CODES

The city uses two types of time entry systems that gather payroll information:
- The Lotus Notes-based time entry system is a Lotus Notes application that all departments can use to record exceptions only. This system is used by the departmental payroll administrators.   For departments that utilize Lotus Notes, this system is used in conjunction with appropriate time records (timesheets) approved by the department for its non-exempt employees to record all working hours as well as appropriate leave.
- The web-based "Web Timesheets" is used by only some city departments. This daily timesheet application allows non-exempt employees to enter all time worked, just like a paper timesheet. It includes online supervisor approval for web-based weekly timesheets. The time entered in the web-based system can supply the Lotus Notes-based time entry system with exceptions, streamlining time entry for payroll administrators.

In order to properly code time for payroll processing, use the following codes.

A. HOURS WORKED

DH – Daily Hours Worked: used only in the web-based timesheet system when an employee enters his/her own daily (non-exceptional) hours worked via the Internet, to designate hours worked.

RH - Regular Hours Worked:
For full time employees whose exceptions are being captured in the Lotus Notes system, regular hours need <u>not</u> be entered, **except** for a new or terminating employee who will not be working the entire pay period. (Exception: use the code RH <u>if hours worked over 40 in a work week are to be paid at straight time pay</u>, e.g., if the employee uses sick leave and later works extra hours in that same work week, as sick leave does <u>not</u> count toward the 40 hour threshold for overtime pay - see Page Six.) <u>If a department allows regular pay for a designated number of hours an employee was on standby duty, record those hours using this code also.</u> If using the Lotus Notes-based time entry system, regular hours are to be recorded in whole hours or segments of whole hours (15 minutes = .3 hours, 30 minutes = .5 hours, 45 minutes = .8 hours). It is important to note that if the Lotus Notes system is used, all non-exempt employees must capture their work hours and leave hours with appropriate timesheets approved by their department. In the web-based version of the timesheet system, exact minutes worked are to be entered; the system will convert the minutes to partial hours.

For part-time employees, use the code 'RH' for the total number of hours worked. **If** a part-time employee also works in another (alternate) part-time position, the 'RH' code will be used for that also <u>AND the hourly pay rate for that second part-time position must be entered as well</u>. (Example: A part time employee who works as a Lifeguard could be assigned to work 4 hours a week as Pool Manager, in the Pool Manager's absence. <u>The hours the employee worked in his or her primary assignment, Lifeguard, would be recorded as 'RH' with the number of hours he or she worked as a Lifeguard.</u> The hours worked as Pool Manager would also be recorded using the code 'RH', with the hourly rate for the second position only. The payroll system will then calculate the total paycheck.)

OT - Overtime**:** used to designate overtime pay to employees whose job descriptions are noted as **non-exempt**. (NOTE: Contact the Human Resources Department if you need help determining the FLSA status of a particular job.) Overtime hours may be recorded in whole hours or segments of whole hours (15 minutes = .3 hours, 30 minutes = .5 hours, 45 minutes = .8 hours). **Overtime is recorded and paid <u>only</u> after** non-exempt <u>employees work more than 40 hours in a work week, or more than 204 hours for sworn Fire employees</u> (see Section V. Calculation of Overtime), regardless of the timesheet cutoff (due) date. Overtime hours will be paid on a paycheck for all of the work weeks that are <u>completed</u> in the pay period <u>before</u> the timesheet cutoff date. Additional overtime hours worked/entered <u>after</u> the timesheet cutoff date will be paid in the following pay period.

B.   CODES FOR LEAVES

All leave hours may be recorded in quarter-hour increments if appropriate. All leave hours taken must be recorded on the timesheet with the codes shown below. Codes followed by an asterisk (*) are defined by established City of Richardson Interdepartmental Policies and Procedures, (refer to the Interdepartmental Policies and Procedures Manual; information may also be found on the Intranet). Those codes followed by double asterisks (**) are defined in City of Richardson Civil Service Rules & Regulations (also in the Manual and on the Intranet).

When recording time, the user must select the date(s) and appropriate leave code(s):

AO** - Absent **withou**t Pay: designates a period of regularly scheduled work time that an employee must be away from work, but has no appropriate leave to allow him/her to be paid, i.e. employee is ill during the first six months of employment, days suspended as a result of a disciplinary order, etc. Use of this code will result in the employee's pay being reduced for the hours of absence (without appropriate offsetting hours of accrued paid leave).

AW - Absent **with** Pay: used only with the approval of the City Manager or designee. This code allows an employee to be paid for an absence.

BL** - Bereavement Leave: records time absent from work due to a death of a qualified family member (refer to Civil Service Rule XX, Section 80). A <u>maximum of 5 days may be used for each occurrence</u> (death of a qualified family member).

FM* - Family Medical Leave: when a supervisor is made aware that the reason for requested leave is a reason that qualifies for FMLA leave, the supervisor must <u>notify the employee in writing</u> that the leave is designated as FMLA leave and code the leave time as FM (refer to the Interdepartmental Policy & Procedure on the Family and Medical Leave Act). **Hours reported for Family Medical Leave (FM) <u>must be double coded</u> <u>with FM</u> and the appropriate pay code (with SK, VA, WC, IJ, or AO, whichever is appropriate)**. Eligible employees (refer to the Interdepartmental Policy & Procedure) are entitled to 12 work weeks of FMLA leave per calendar year.

IJ* - Injury Leave: used according to the City Interdepartmental Policy & Procedure on Worker's Compensation: Coding and Reporting Incidents. Employees will be paid regular pay for time recorded as IJ.

JD** - Jury Duty: used for those employees who submit a summons to serve on a jury to their supervisor. This code allows an employee to be paid at full pay while serving jury duty for the days he/she would otherwise be scheduled to work. **This code is only used if the commitment to jury duty causes an employee to miss work time**. Employees who serve jury duty on their scheduled day(s) off, or at a time other than their scheduled shift(s), will not be paid for that time.

LL – Legislative Leave - **used <u>ONLY</u> by the Fire and Police Departments for sworn fire fighters and peace officers who serve in, appear before, or petition a governmental body during a regular or special session of the body, in accordance with provisions of Section 614 of the Texas Government Code effective September 1, 2009**:
- Leave must be requested in writing at least 30 days in advance; length of requested leave may not exceed the length of the session; application must state duration of leave and willingness of requesting employee to reimburse the employee's department for all wages or other costs that will be incurred as a result of the leave (the department must notify the employee in writing of the costs that will be incurred within 30 days of receiving an application); the employee may be required to post that amount before leave is granted, and provide a sworn statement identifying the source of the reimbursement money; a peace officers' or fire fighters' association may not reimburse the employer for wages or other costs incurred as a result of legislative leave.
- The requesting employee's department may deny such leave in an emergency or when the leave will result in having an insufficient number of employees to carry out the normal functions of the department. The department shall allow another peace officer or fire fighter of equal rank to volunteer to exchange time with the applicant for legislative leave, so long as overtime will not result and the volunteer work will result in having a sufficient number of employees.

ML** - Military Leave: used to pay for a <u>maximum of 15 days per year</u> for employees called to duty by the Armed Forces.

OL** - Official Leave (e.g., when in training in another city, or otherwise assigned to be away from the regular workplace, etc.): used to record the regularly scheduled working hours of any employee who must be away from work to attend an official function sanctioned by his/her department head and/or City Manager/Deputy City Manager/Assistant City Manager.

SF** - Sick Family Leave: Up to a maximum of 80 hours of one's accrued sick leave per calendar year may be used to pay for time spent with a sick family member (refer to Civil Service Rule XIX, Section 78, for definition of eligible family members).

SK **- Sick Leave: used to pay for regularly scheduled work hours for which an employee does not report to work because he or she is ill, <u>if the employee has accrued paid sick leave</u> (refer to Civil Service Rule XIX, Section 78).

VA** - Vacation: hours recorded for employees who use accrued vacation leave (refer to Civil Service Rule XVIII, Section 77).

WC* - Worker's Compensation: code used for employees who are away from work because of a work related injury (according to the City Interdepartmental Policy & Procedure on Worker's Compensation: Coding and Reporting Incidents). Hours recorded with this code will not be paid by the City, but will be paid by the City's Worker's Compensation third party administrator. Employees who are out due to a worker's compensation injury are generally double coded as FM to designate the individual's leave is qualified as FMLA (refer to the Interdepartmental Procedure on the Family Medical Leave Act to ensure appropriate coding.)

For more information about these codes, see the appropriate City of Richardson Interdepartmental Policy and Procedure.

C. MISCELLANEOUS CODES

AC - variable premium pay code **used only by the Police Department:** used when Police Officers are assigned as Field Training Officers, and when civilian supervisors are assigned as training officers and/or acting supervisors. This code must be used with preassigned hourly pay rates (designated by RPD) and the number of hours worked in the assigned function.

AP - Ambulance Pay: **used ONLY by the Fire Department**.

BD – Battalion Chief Driver Pay: **used ONLY by the Fire Department**.

CB - Call Back (paid at 100% of regular rate): **used ONLY by the Fire Department**.

CH - Call Back Half-Time (paid at 50% of regular rate): **used ONLY by the Fire Department.**

Compensatory time can be earned in lieu of paid overtime only by non-exempt employees, after they have worked 40 hours in a work week (for the Fire Department, the employee must have exceeded the maximum work hours in their 27 day work period). Departments may have rules that allow compensatory time to be substituted for paid overtime. Compensatory time may be earned by exempt employees during a time of appropriate disaster-related activity as described below. *Compensatory time may be **accumulated up to a maximum limit defined by the department head**, but may not exceed the limits established in FLSA Regulations (maximum of 240 hours of compensatory time for non-public safety employees; maximum of 480 hours for public safety employees).* **The following three codes deal with non-exempt employees' compensatory time.**

CO - Compensatory time accrued **at 150%** (records compensatory time at the time and one-half rate): Example of use: if 4 overtime hours are worked, record 4 hours of CO (pay system calculates it at time and one-half). This code may only be used after the employee has worked 40 hours in a work week (for the Fire Department, the employee must have exceeded the maximum work hours in their 27 day work period).

CS - Compensatory time accrued **at 100%** (records compensatory time at the straight time rate). The CS code is used to record straight time compensatory time when an employee uses sick leave or any other leave code that does NOT count towards the 40-hour threshold for overtime (see Page Seven) AND also works extra hours in the same work period. [**NOTE**: If the employee is to be paid (rather than recording compensatory time), use the RH code to record the number of hours.]

CU - Compensatory Time Used : used when accrued (earned and available) compensatory time is taken.

EP – Extended Service Pay code used by eligible employees in the Public Services Department who are scheduled to work outside the employee's typical solid waste schedule. This pre-designated time worked by the employee will be paid the equivalent of time and one half of base pay. Typical events that may trigger extended service pay are periods of larger volumes of collection which may be associated with emergency situations, inclement weather, holidays and/or during periods of personnel or equipment shortages.

FH – RFD FLSA Cycle at 50%; this code is used **only by Fire Department** when recording the last 12.0 hours of the 216 hour cycle for sworn Fire employees assigned to a 27-day work period (hours over 204 in a 27 day work period must be compensated additionally, according to the Fair Labor Standards Act).

HT - Holiday Taken: (paid at 100% of regular rate) used to indicate holiday time taken when an employee worked on a previous regular City holiday or an employee is assigned to work shifts longer than 8 hours and therefore must track holiday time used. Holiday time may be used in increments of more than 8 hours if approved by the department director or designee. The maximum allowed amount of holiday time per calendar year is 72 hours.

If an employee leaves the City of Richardson and has used holiday time before the actual holiday has occurred, the holiday time that has not yet occurred will be deducted from the employee's leave balance payout.

IP - Incentive Pay – **used ONLY by the Police Department,** for recruitment incentive pay

PA - Pay for Alternate Assignment: **used ONLY by the Parks Department to compensate part-time employees that are instructors who are paid a portion of total class fees collected.** (Example: Number of students = 20, at a rate of $30 each. Total class fees = $600 x 80% = $480. PARD will report 'PA=$480')

PH - Premium Pay code. This code pays the extra half-time for overtime (generated automatically by the payroll system for all overtime hours worked).

PT - Paramedic Trainer - to be used by Fire department only. Code is used to record time worked by Field Training Officers in the training of paramedics.

SU - Step up pay: **used ONLY by the Fire Department, due to minimum staffing standards,** when an employee has been approved to work temporarily in a position that has a higher rate of pay than his/her usual assigned rate. (NOTE: Any long-term assignment upgrade should be handled by completing a Status Change Request Form, in accordance with Civil Service Rules and with appropriate authorization, and forwarding it to the Human Resources Department.)

WF – Wildflower! hours worked. This code is used by employees who are assigned to perform work associated with the annual Wildflower! event.

Emergency Management Time keeping
The following codes deal with time keeping in a disaster related activation event:

> **DO** - Disaster overtime hours. To be used to pay overtime in the event of disaster (for non exempt employees only).

> **DP** - Disaster premium hours. To be used to pay premium hours in the event of disaster (for non exempt employees only). This code pays the extra half time for overtime.

DC - Disaster comp time overtime. To be used to record comp time earned at 150% (for non exempt employees only).

EC – Exempt compensatory time earned at straight time (hour for hour). This EC code will be used by approved exempt employees who will be allowed to **earn** straight time compensatory time after working forty hours in a workweek. This code is only used by specifically assigned exempt employees during a time of appropriate disaster-related activation as part of a state deployment or mutual aid deployment. This special activation is approved by the City Manager or designee (refer to the Critical Emergency Response Workplace Disruption interdepartmental policy). If an exempt employee is allowed to use compensatory leave, the code CU will be used for "compensatory time used."

EH – Exempt overtime hours worked at straight time (hour for hour). This EH code will be used by approved exempt employees who will be **paid** straight time overtime after working forty hours within a workweek. EH is only used by specifically assigned exempt employees during a time of appropriate disaster-related activation as part of a state deployment or mutual aid deployment. This special activation is approved by the City Manager or designee (refer to the Critical Emergency Response Workplace Disruption interdepartmental policy).

ER-Emergency Response hours for exempt and non-exempt employees working for/during appropriate disaster related activation. To be used to record hours worked in disaster relief (not normal work assignments) prior to overtime. This may include disaster related activation as part of state deployment.

RT - Regular Time hours. To be used to record hours worked performing usual work assignments (not disaster relief work) up to and during a disaster related activation (for exempt and non exempt employees).

IV.   OTHER PAYROLL PROCESSING

A.   PERSONNEL STATUS CHANGE REQUEST FORMS

Departments must submit all routine Personnel Status Change Request Forms to Human Resources. "Routine" changes include resignations, terminations, promotions, step increases, etc. (During periods of budget constraint, City Manager's Office authorization may be required on routine Status Changes, as directed by the City Manager.)

Status Change Request Forms requesting Exceptional Service Award pay increases must be approved by the City Manager's Office prior to being sent to Human Resources.

Status Change Request Forms for dismissals (involuntary terminations) shall be handled on the day of the event (must be filled out in the department and walked to Human Resources).

B.   NEW EMPLOYEES

Prior to reporting for the first day of work, **new employees must be told to bring a valid Social Security card with them on their first shift**. All new employees must present valid Social Security Cards to the Human Resources Office before being placed on the payroll. This is necessary because the City is required by the IRS to show the correct Social Security number on the various forms and reports for which the Payroll Division is responsible (including Internal Revenue Service reporting), e.g. payroll and Social Security names must match. Violations of this requirement may subject the City to IRS penalties. Newly hired employees will also be required to satisfy Department of Labor form I-9 identification requirements.

Departments must call the Human Resources Department to schedule a time for new employees to report to Human Resources so that they can fill out all forms necessary to be added to City of Richardson's payroll. This session will last approximately one or two hours. Departments must forward the new employee's completed and signed Status Change Request Form and all other pertinent information to the Human Resources Department prior to this appointment. In both electronic timesheet systems (Lotus Notes-based and web-based), the systems update to add new employees on a daily basis.

C. DEPARTING EMPLOYEES

All worked and exceptional hours for retiring and resigning employees must be recorded on the department's timesheets, up to and including the employee's termination date. Final paychecks for employees who resign will be distributed on the next scheduled payday. **Employees who retire will be given their final paycheck on a scheduled payday, which may be on or following an employee's last work day.**

For employees who are terminated (involuntarily dismissed), a signed Personnel Status Change Request form removing the employee from the payroll must be submitted to the Human Resources Department as soon as possible after the department is aware that the employee will be leaving. For terminated employees, the final paycheck will be available no later than the next scheduled payday.

D. CORRECTIONS

From time to time, errors in reporting hours may be made in coding and recording hours on timesheets. The employee's department shall correct such errors, by noting the error on a subsequent timesheet as a correction.

V. CALCULATION OF OVERTIME

A. FOR FORTY-HOUR PER WEEK EMPLOYEES

Overtime hours can only be earned when a non-exempt employee works more than 40 hours during a work week. All overtime must be approved by the supervisor prior to the performance of the work hours, except in case of an emergency.

The calculation of the 40 hours of work time to determine eligibility for time and one-half pay shall NOT include any Sick Leave, Sick Leave for Family time, Military Leave time, Worker's Compensation Leave time (includes both "WC" and "IJ" codes), or Absent Without Pay time.

> **Example:** An employee is scheduled to work 8 hours a day Monday through Friday, and is sick 8 hours on Tuesday. This employee would not have 40 hours of work time because the 8 hours of sick time is not included in FLSA calculations for determining eligibility for overtime. If this employee is asked to work 8 hours on Saturday, it will be at regular pay. If, after working 8 hours on Saturday, the same employee is asked to work 2 more hours that same day (making a total of 10 hours worked on Saturday), he/she would be paid at an overtime rate for the last 2 hours.

All other non-work hours of approved leave, including vacation, holiday, bereavement leave, jury duty, compensatory time, etc., will be considered as "work time" for the calculation of eligibility for overtime (time and one-half pay).

During disaster-related events when exempt employees are activated as part of a state team deployment or a mutual aid deployment, straight time overtime (hour for hour) may be worked by approved exempt personnel. This

approval will be made by the City Manager or designee. The above definitions of which leave categories count as work time or non-work time will apply when exempt employees are approved to earn straight time overtime.

B.   FIRE DEPARTMENT – 27 DAY WORK SCHEDULE (216 HOURS)

For sworn Fire employees on a 27-day work schedule, <u>overtime exceeding hour 204 and through hour 216 is paid at the rate of an extra half-time overtime rate</u> for each hour (per Fair Labor Standards Act Regulations).   All hours worked <u>over 216 hours in a 27-day work period</u> will be paid at the regular (time and one-half) overtime rate. All overtime must be approved by the supervisor <u>prior</u> to the performance of the work hours, except in case of an emergency.

The calculation of work time to determine eligibility for overtime pay shall NOT include any Sick Leave, Sick Leave for Family time, Military Leave time, Worker's Compensation Leave time (includes <u>both "WC" and "IJ"</u> codes), or Absent Without Pay time.

<u>All other non-work hours of approved leave, including vacation, holiday, bereavement leave, jury duty, etc., will be considered as "work time" for the calculation of eligibility for overtime</u> (time and one-half pay).

Original Signed by Dan Johnson   *12/19/2018*
_____   _____
      Dan Johnson, City Manager   Date