



City of Santa Ana
Administrative
Policies and Procedures

City Manager's Authorization

Subject

Timekeeping Roles and Responsibilities

Date

March 7, 2012

I. Internal Control Objective for Time and Attendance

The primary objective of internal control in a Time and Attendance system is to ensure that the system complies with applicable legal requirements, supports reporting of reliable financial information, and operates effectively and efficiently. To achieve these objectives, the time keeping process should provide reasonable assurance that (1) transactions are authorized and approved and (2) information is properly recorded and retained. This policy specifically addresses the timekeeping process roles and responsibilities.

II. General Statement

City of Santa Ana (COSA) requires that time worked and leave taken be accurately reflected on an employee's time record. Full time employees are paid on an "exception-based" procedure. That is, a full time employee is assigned to a schedule (a work rule) and the timekeeper posts the *exceptions to the work rule*. Part time employees are not assigned to a work rule and hours must be posted to initiate a paycheck. This is referred to as "positive time reported". Additionally, part time employees total work hours must stay within limits set by the California Public Employees' Retirement System (CalPERS). Whether full or part time, the time record allows employees to accurately reflect actual hours worked, as well as leave taken. Additionally, it allows for the proper accounting of labor costs applied to specific grants and/or projects.

III. Definitions

Exception-based Time: Employees who are exception time reported are attached to a work rule (schedule) and a paycheck automatically generates. Exceptions to the schedule, as well as accounts other than the home account to be charged, are keyed by the timekeeper.

Positive Time Reported: Part time employees are not attached to a work rule. A timekeeper must post the hours worked in order for a paycheck to be generated.

Time record: Any of a number of forms utilized by a given agency/department to account for and approve an employee's time worked, leave earned, leave used, and accounts to be charged for the labor cost.

Timekeeper: An employee assigned the task of inputting a group of employee's time worked, leave taken, and the charging of labor costs to accounts other than the account the employee is assigned to (the home account). This task may be assigned to any number of employee job classifications.

Timekeeping: The first stage of the payroll process, in which information on employee time worked and leave taken is input into the payroll software, Highline ePersonality (eP). This function is executed in eP via the Pay Transaction Screen (IPTR).

IV. Roles and Responsibilities

- 1) Employee: It is the responsibility of each employee to report time worked, leave(s) taken and account(s) to be charged for labor costs. Any falsification or misrepresentation of time and attendance information may result in disciplinary action up to and including termination. Accurate time records are to be submitted to the supervisor or manager for approval.
- 2) Supervisor/Manager: Approves all time records, ensures that employee time worked and leave taken is accurately accounted for.
- 3) Timekeeper: Inputs information into eP, based upon time records received. Advises supervisors on part time employees' hours worked to abide by CalPERS limits. Alerts supervisor if time records have not been submitted (for instance, a Leave of Absence form when leave taken.)
- 4) Timekeeper Supervisor/Manager: Audits timekeeper posting via the RPTR (a standard report of the eP software), or the Audit IPTR Attendance Report (a custom report created by COSA IS Applications Development) and conducts a sample audit of postings against time records received.
- 5) Payroll Technician: Downloads data from IPTR and runs the payroll process. Audits/resolves issues when union Memorandum of Understanding (MOU) provisions and/or payroll guidelines are not met due to processing errors. Provides timekeepers with information regarding deadlines.

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- 6) Senior Personnel Technician: Performs the hiring function in the eP software. Monitors timekeepers' oversight of part time employees' total work hours, in compliance with CalPERS regulations.

Responsibilities	Employee	Employee Supervisor/ Manager	Timekeeper	Timekeeper Supervisor/ Manager	Payroll Technician	Senior Personnel Technician
Performs hiring function in eP						X
Accurately reflect time worked and leave taken on the time record	X					
Review accuracy and approve the time record		X				
Enter information from the time record into eP (Using the IPTR screen)			X			
Enter corrections to prior pay periods, based on the time record (using the IPTR screen)			X			
Utilizing a custom report, advises supervisors on part time employees' total hours worked to abide by CalPERS limits			X			
Use the RPTR or the Audit IPTR to conduct a sample audit of entries in eP, including corrections to prior pay periods				X		
Audit payroll entries for compliance with MOU and payroll guidelines					X	
Processes payroll in eP					X	
Monitors part time hours worked in compliance of CalPERS rules						X
Provides timekeepers with information regarding deadlines					X	

V. Procedure

Payday

All COSA employees are paid semi-monthly, on the 5th and the 20th of each month. (When the 5th or the 20th falls on a weekend or a holiday, payday is the last work day prior to the weekend/holiday.)

Pay Period

The pay period dates are different for full time and part time employees. Full time employee pay periods are the first of the month through the 15th, and the 16th to the end of the month. For part time employees, the pay periods are the 11th through the 25th and the 26th to the 10th of the following month.

Payroll Process

The payroll software is Highline ePersonality (eP). The Senior Personnel Technician is in the Employee Benefits division of the Personnel Services Agency. The Payroll work group is part of the Purchasing and Payroll division in the Finance and Management Services Agency. Time and Attendance is the responsibility of each agency/department. Timekeeping duties can be assigned to any number of job classifications, including but not limited to: Senior Accounting Assistant, Senior Office Assistant, or Secretary.

The time entry function is the initial step in the payroll process. In order to provide sufficient time for running the pay process before payday, payroll “opens” the IPTR the day before each pay day and keeps it open for about 3 – 6 working days. The “posting window” closes *before the end of the pay period*. This results in the need to adjust the time posting – including applying labor costs to any account other than the home account – the next time payroll opens up the IPTR.

This process of modifying the prior pay period is referred to as a *prior period correction, or performing an historical edit*. To ensure that COSA is accounting for labor costs accurately, it is critical that the timekeeper posts the historical edit to the correct labor account.

VI. Monitoring Responsibilities

Posting of time is a manual operation and vulnerable to keying error. Additionally, the process of closing out the posting window prior to the end of the pay period necessitates the performance of historical edits in the IPTR. Therefore it is essential that each agency/department has in place a process to sample audit the timekeeper postings. To assist in this endeavor, two reports are provided; the RPTR and the Audit IPTR. The RPTR is a standard report of the ePersonality software and the Audit IPTR is a custom report created by COSA IS

Applications Development. It is expected that a timekeeper's supervisor will use one of the two reports to conduct a sample audit of the posting in eP against the time records received. The supervisor is expected to sign off and file a version of the report used for this purpose. The agency/department may be required to provide a signed copy of the RPTR or the Audit IPTR Attendance Report as part of an audit. To ensure that the internal control objective for timekeeping is articulated and practiced, it is highly recommended that all departments document and comply with their internal timekeeping and monitoring procedure.

The monitoring of the total hours worked by part time employees is the responsibility of the Personnel Services Agency. To assist in this monitoring, the custom report titled "Part Time Working Hours" is utilized. The Senior Personnel Technician confirms that either Timekeepers are running the Part Time Working Hours report for their assigned employees, or provides them a copy of the report as needed.

To provide an avenue for training, process improvements, discussion, and information sharing, a meeting facilitated by Payroll for all Timekeepers is conducted on a trimester basis.