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Time/Leave Sheets	ACA Standards: 2-CO-1C-01, 4-ACRS-7B-19, 4-ACRS-7D-27		
Scott Crow, Director Oklahoma Department of Corrections		Signature on File	

Procedures for Time/Leave Sheets and Payroll Processing

I. General Guidelines (2-CO-1C-01)

The agency processes and maintains records of time/leave sheets as the official source of documentation for employee leave balances and pay. Employees, supervisors, and human resources management specialists/coordinators (HRMS) must ensure that time/leave sheets are accurately completed and timely submitted, and that errors affecting leave balances and payrolls are promptly reported to, and resolved with, the Central Human Resources (HR) unit. (4-ACRS-7D-27)

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Employees and supervisors are responsible for ensuring that requested and approved leave does not exceed available balances or established limits and that all required work hours in each seven-day work week or 28-day cycle are scheduled or accounted for by paid or unpaid time or leave.

Failure to submit time/leave sheets or correct reported errors will result in incorrect leave balances and delays in the issuance of employee pay.

The following procedure, which is in accordance with applicable federal and state laws and merit rules, governs the agency's practices for processing time/leave sheets, issuing payrolls, resolving errors, and ensures the agency's compliance with principles of public accountability for state employment.

II. Time/Leave Sheets

All regular full and part-time employees and temporary (999) employees will complete time/leave sheets. Time/leave sheets will be verified and signed by the employee (if available) and the supervisor and submitted to the facility/unit HRMS, who will ensure entry into the PeopleSoft time/leave system by the established deadline each month.

Employee time/leave sheets must be completed in accordance with this procedure and any other applicable guidelines. (4-ACRS-7B-19)

A. Entries

1. All employees and their supervisors are responsible for ensuring that all entries accurately reflect the actual hours worked (to the nearest quarter hour) and leave taken (to the nearest quarter hour) for each workday using the codes that are authorized in this procedure.
2. Entries that violate any law, rule, or agency procedure may be amended by the HRMS or Central Human Resources unit. Copies of amended time/leave sheets will be distributed to the affected individuals.
3. Employees may not record any of the following paid leave codes which would cause paid hours in the workweek to generate either compensatory time or overtime. Workweek adjustments will be utilized to reduce the number of approved leave hours needed to complete the scheduled work week/work cycle. Only those hours physically worked in excess of 40 will be compensated as overtime.
 - a. A
 - b. C
 - c. E

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- d. S
- e. FA
- f. FS
- g. FC
- h. FD
- i. TA
- j. TS
- k. TD
- l. DL
- m. M
- n. P
- o. AA
- p. AC
- q. PS
- r. AU
- s. MA
- t. MS
- u. MC
- v. MD

B. Codes

The codes specified in [Attachment J](#), “ODOC Time/Leave Codes” (attached) will be used when recording time worked and leave taken. The code will always be preceded by the appropriate number of hours with the exception of day off (DO) and terminated (T). Facility timekeepers will refer to [Attachment I](#) entitled “Conversion of ODOC Time/Leave Codes to PeopleSoft Time Reporting Codes” (attached) for entering work and leave hours into the PeopleSoft system. Time/leave sheet entries

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for all workers' compensation codes (TA, TS, TT, TD, TF) will only be made by the Central Human Resources unit.

1. Hours Worked (W)

The employee will report the actual hours worked, or if time spent fighting fires under the Oklahoma Volunteer Firefighters Act, the employee will report no more than the hours for the regularly assigned shift or workday (74 O.S. § 840-2.20.A.7).

Employees who are reserve municipal police officers or reserve deputy sheriffs and who miss work while performing their duties in cases of emergency will report no more than the hours for the regularly assigned shift or workday (74 O.S. § 840-2.20.A.8 and 74 O.S. § 840-2.20.A.9). Employees may be required, upon the request of the appointing authority, to provide appropriate documentation from the applicable law enforcement authority that identifies the nature of the emergency and the period of time of the employee's involvement.

Up to a maximum of two hours may be coded "W" for time off to vote in accordance with 26 O.S. § 7-101.

All time spent at CERT training will be coded "WC."

Employees will report all hours worked during any shift(s) or workday, which included attendance at shift briefing. The value of attending shift briefing is .25 (e.g., 8.25 WB = one 8 hour shift including shift briefing attendance; 16.25 WB = two eight hour shifts including shift briefing attendance; 8 WB = 7.75 hours worked during one 8 hour shift or workday and .25 shift briefing attended).

Employees will report all hours worked during any shift(s) or workday, which included shift briefing led/conducted. The value of conducting shift briefing is .5 (e.g., 8.5 WL = one 8 hour shift including shift briefing led/conducted; 10WL = 9.5 hours worked and .5 shift briefing led/conducted).

Temporary (999 hour) employees will report all hours worked during their temporary status using the code "WT."

2. Jury Duty (J and JT)

Code "J" will be used for classified and regular unclassified employees. Code "JT" will be used by Temporary employees for tracking purposes only (as unpaid leave). The employee will report no more than those hours for the regularly assigned shift or workday that were actually spent that day in activities described in Merit Rule 260:25-15-46(a) and in this procedure.

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3. Suspension With Pay (PS)

The employee will report no more than those hours for the regularly assigned shift or workday. Any proclaimed holiday falling within a period of suspension with pay will be coded "HU."

4. Leave Without Pay/Unauthorized Absence (O and UA)

Code "O" will be used if the employee has been approved/authorized to use leave without pay. Code "UA" will be used if the employee has failed to report to work and was without proper authorization to do so. Holidays will be coded "O" when the employee is in unpaid status on both the workdays just prior to and just after the holiday or day off. The preprinted code "HOL" will be removed from the time/leave sheet. An employee who is on Unauthorized Absence (coded UA on the time/leave sheet) either the workday before or after the holiday will not be eligible for holiday pay [Merit Rule: 260:25-15-43(b)]. The preprinted code "HOL" will be removed from the time/leave sheet.

5. Compensatory Time Used (C)

The compensatory time used code (C) will be used when a compensatory time eligible employee (FLSA exempt) is approved by the supervisor to take time off for accrued compensatory time in accordance with [OP-110305](#) entitled "Overtime Pay and Compensatory Time."

6. Workers' Compensation Codes (TA, TS, TT, TD, TF)

Employees who are on leave without pay pursuant to a workers' compensation claim may supplement temporary total disability payments with available annual (TA) or sick leave (TS), either accrued or donated (TD). (85A O.S. § 45)

Absences that are not supplemented with sick or annual leave will be designated and coded as FMLA (TF) for eligible employees and "TT" when FMLA is not applicable.

Holidays will be coded with the appropriate workers' compensation leave code when the employee is on workers' compensation leave, with or without supplement, (or any other unpaid leave status) on both the workdays just prior to and just after the holiday. The code "HOL" will be removed from the time/leave sheet.

Time/leave sheet entries for all workers' compensation leave without pay (all codes listed in item 6) will be made by the Central Human Resources unit.

7. Family and Medical Leave Codes (FA, FS, FO, FD, FH, FC, FT)

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Employees who are on designated family and medical leave (FMLA) for authorized absences covered by the Family and Medical Leave Act of 1993 may select any one or a combination of the following types of leave: annual leave accumulated by the employee (FA), sick leave accumulated by the employee (FS), and annual and sick leave donated by other state employees (FD) (74 O.S. § 840-2.22). Donated leave may only be used after the employee's own available leave balances have been exhausted. Leave without pay (FO) may only be used after all paid leave has been exhausted. [Merit Rule 260:25-15-45(i)]

Exempt employees may also use compensatory time (FC) to cover FMLA absences (74 O.S. § 840-2.22).

Employees may use accrued holiday balances (HU) for absences that would be covered by FMLA; however, any holiday which occurs during a period of paid family leave absence will be coded "FH." If the employee is on unpaid FMLA (or other unpaid status) both workdays just prior to and just after a holiday, the code "HOL" will be removed from the time/leave sheet.

Code "FT" will be used by Temporary employees to track unpaid absences which qualify as family and medical leave.

8. Administrative Leave (AA, AC, AE, AU)

Administrative leave (AA) may be used only when an office is temporarily closed due to unsafe working conditions; however, the agency may additionally use "AA" for critical work related incidents not exceeding 24 hours per calendar year (57 O.S. § 528.6, 74 O.S. § 840-2.20A.A.) [Merit Rule - 260:25-15-71].

Administrative leave (AC) will be used when the appointing authority has placed an employee on paid leave as a "cooling off" period not to exceed 32 hours in any 12 month period (74 O.S. § 840-2.20.A.5) [Merit Rule 260:25-15-50]. Holidays which occur during a period of administrative leave (AC) will be coded "HU."

Administrative leave (AE and AU) is granted to employees when state services are temporarily reduced due to hazardous weather, and in accordance with [OP-110355](#) entitled "Procedures for Employee Attendance and Leave" [Merit Rule 260:25-15-71].

Employees who are responsible for providing essential services will use the code "AE" to accrue administrative leave on a straight time basis (up to eight hours per day) for all hours worked in their regularly scheduled work periods during such a reduction. Administrative leave used will be coded "AU," and will represent the oldest available administrative leave in the employee's accrued balance. Accrued administrative leave must be used before granting

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of any annual leave except when the employee may lose accrued annual leave [as defined in [OP-110355](#) entitled “Procedures for Employee Attendance and Leave” and Merit Rule 260:25-15-71(d)].

Employees who are not responsible for essential services will code the time/leave sheet AE and AU (in equal amounts) to cover absence due to the reduction in services.

9. Enforced Leave (E)

Enforced leave, up to 80 hours per calendar year, which is taken in accordance with Merit Rule 260:25-15-40 and [OP-110355](#) entitled “Procedures for Employee Attendance and Leave” will be charged to the employee’s accumulated sick leave balance [Merit Rule 260:25-15-40].

10. Military Leave (M)

Military leave will be used by classified and regular unclassified employees to designate paid absence from work due to military duty for the first 30 workdays of absence during the federal fiscal year (October 1 through September 30) and in accordance with [OP-110355](#) entitled “Procedures for Employee Attendance and Leave.”

11. Military Leave Without Pay (MO)

Military leave without pay will be used when a classified or regular unclassified employee exhausts paid military leave and elects to cover an absence from work due to military duty with leave without pay. This includes any absence occurring after discharge and prior to returning to duty in accordance with the time limits established by the Uniformed Services Employment and Reemployment Rights Act and [OP-110355](#) entitled “Procedures for Employee Attendance and Leave.”

Holidays will be coded “MO” when the employee is on unpaid military leave both the workdays just prior to and just after the holiday. The code “HOL” will be removed from the time/leave sheet.

12. Military Leave for Temporary Employees (MT)

Code “MT” will be used to track unpaid absences from work due to military duty by Temporary employees.

13. Suspension Without Pay (XO)

“XO” will be used to record absences from work due to a disciplinary suspension without pay. Exempt employees may be suspended without pay in accordance with the restrictions outlined in [OP-110305](#) entitled “Overtime Pay and Compensatory Time.”

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Holidays will be coded “XO” when the employee is on unpaid status on both the workdays just prior to and just after the holiday. The code “HOL” will be removed from the time/leave sheet.

14. Day Off (DO)

The code “DO” will be used to indicate that the employee was absent for the entire workday or shift without requiring the use of any paid or unpaid time/leave program. This includes any regularly scheduled day off, any alternate or substituted day off, or any work adjustment. “DO” will be coded without specifying the number of hours.

15. Donated Leave (DL)

Donated leave may be used only when the recipient’s official leave balance indicates that donated leave is available for the recipient’s use and in accordance with applicable statute, merit rule, and [OP-110355](#) entitled “Procedures for Employee Attendance and Leave.”

16. Termination (T)

The termination code will be placed on the time/leave sheet to indicate the employee’s last date of employment with the agency. The entry for that date will also include the code(s) and the number of hours which describe the employee’s status on the final date of employment.

17. Holiday Earned (HOL)/Holiday Used (HU)

Time/leave sheets are pre-printed with all proclaimed state holidays coded “8HOL.” The number of hours (8) must be manually reduced to a prorated amount for part-time employees. The code “HOL” must be removed from the time/leave sheet when the employee is in unpaid status on both workdays just prior to and just after the holiday (excluding any involuntary leave without pay/furlough), or when the employee is on Unauthorized Absence either the workday before or after the holiday.

Holiday used will be coded “HU” unless it falls within a period of paid family and medical leave (“FH”) or paid military family leave (“MH”).

Holiday hours used on a non-holiday are deducted from the employee’s oldest available holiday balance. Holiday hours used on a proclaimed holiday are designated as the present holiday and are not deducted from any existing balance.

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Accrued holiday leave must be used before granting of any annual leave except when the employee may lose accrued annual leave (74 O.S. § 840-2.15C).

In every instance where the employee is absent from work on a valid, proclaimed holiday (when the employee is eligible to earn it), the employee will be deemed to have used holiday time with the following exceptions:

- a. The “DO” code will be used when an employee’s regularly scheduled day off falls on a proclaimed holiday;
- b. The “UA” code will be used when an employee is absent from work without authorization on a regularly scheduled workday which falls on a proclaimed holiday; or
- c. The “XO” code will be used when an employee is on a disciplinary suspension without pay on both the workdays just prior to and just after the holiday.

Holidays earned and used will be in accordance with applicable statute, merit rule, and [OP-110355](#) entitled “Procedures for Employee Time and Leave.”

18. Annual Leave (A) and Sick Leave (S)
Annual and sick leave may be used only when the employee has sufficient accruals to cover absences from work and in accordance with all applicable statute, merit rule, and [OP-110355](#) entitled “Procedures for Employee Attendance and Leave.”

Accruals occur only at the end of the month and are not available for use until the first day of the following month.

19. Professional/Organizational Leave (P)

The “P” code will be used in accordance with applicable statute, merit rule, and [OP-110355](#) up to a maximum of 24 hours per calendar year. (4-ACRS-7B-19)

20. Military Family Leave Codes (MA, MS, MH, MC, MD, MX)

Employees who are on designated military family leave (MFMLA) for authorized absences covered by the National Defense Authorization Act of 2008, may select any one or a combination of the following types of leave: annual leave accumulated by the employee (MA), sick leave accumulated by the employee (MS), and annual and sick leave donated by other state employees (MD). Leave without pay (MX) may only be used after all paid leave has been exhausted. [Merit Rule 260:25-15-45].

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Exempt employees may also use compensatory time (MC) to cover MFMLA absences [Merit Rule 260:25-15-45].

Employees may use accrued holiday balances (HU) for absences that would be covered by MFMLA; however, any holiday which occurs during a period of paid military family leave absence will be coded "MH." If the employee is on unpaid MFMLA (or other unpaid status) both the workdays just prior to and just after a holiday, the code "HOL" will be removed from the time/leave sheet.

21. Involuntary Leave Without Pay [Furlough] (ZO)

When involuntary leave without pay (furlough) is required, all employees will abide by the office hours and work schedules as posted in [OP-110355](#) entitled "Procedures for Employee Attendance and Leave." No employee may use the "ZO" code on a regular day off. No employee may use the "ZO" code on a proclaimed holiday other than a facility employee whose regular workday falls on a proclaimed holiday.

22. Shift Differential (EVT, EVU, EVV, MDW, MDX, MDY, ROD, ROE, ROF)

Shift differentials will be paid to eligible employees in accordance with [OP-110340](#) entitled "Employee Compensation." Shift differential payments will only be made for hours actually worked. The number of hours worked on an evening, night, or rotating shift will be recorded on the time/leave sheet using a shift differential code (EVT, EVU, EVV, MDW, MDX, MDY, ROD, ROE, ROF) in addition to the number of hours worked (coded "W" on the same day).

C. Time/Leave Sheet Entries for Mid-month Hires or Separations

No entries will be made on the time/leave sheet prior to the entry on duty date or after separation from the agency.

D. Time/Leave Recording Amounts

Under ordinary circumstances, all time worked and leave taken will be recorded in units of quarter hours. The employee will not be charged with leave taken or credited with time worked for periods of less than eight minutes into the quarter hour. Eight minutes or more into the quarter hour will be considered a full quarter hour.

Quarter hour entries will be as follows:

1. 15 minutes = .25;
2. 30 minutes = .50;

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3. 45 minutes = .75.

A time/leave sheet entry for supplementing temporary total disability payments with sick, annual, or donated leave and for the exhaustion of an accrued leave balance must record the actual leave taken. This entry may not be rounded up or down.

Nothing in this section will preclude a supervisor from taking corrective action if an employee fails to report to work as scheduled in accordance with [OP-110215](#) entitled "Rules Concerning the Individual Conduct of Employees" and [OP-110355](#) entitled "Procedures for Employee Attendance and Leave."

E. Minimum Balances Required for the Use of Accrued Time/Leave

No employee may use or record the use of any accrued time or leave when the balance for that specific time or leave accrual is less than .25 hours.

F. Signature and Review

Both the employee (when available) and supervisor will sign and date the time/leave sheet certifying that the information is correct. If the employee is unavailable to sign the time/leave sheet, the supervisor or HRMS will sign for the employee, initial the signature, and write the reason the employee did not sign.

Supervisors signing time/leave sheets for employees who are absent pursuant to a workers' compensation claim may state, below their signature, that they are certifying as correct only those entries which are unrelated to workers' compensation absence.

The employee will immediately sign the original retained by the facility/unit upon return to work.

Supervisors will ensure signed/approved time/leave sheets are timely delivered to the HRMS for review.

Prior to entering time and leave hours into the PeopleSoft system the HRMS will review the following items for accuracy and completeness:

1. The accrual date and work location code;
2. The total work hours and leave used equal at least 40 hours for each seven day work week or at least 160 hours for 28-day cycle employees;
3. An HCM 14 transaction form is completed for any beginning or ending period of leave without pay including, but not limited to, unauthorized absence (UA), suspension without pay (XO), and military (MO), military family (MX), or family leave without pay (FO) (the Environmental Health and Safety unit will complete HCM 14s pertaining to workers' compensation leave without pay);

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4. All days in the month are coded except those that require a workers' compensation leave code, or those days that are prior to entry on duty or after separation;
5. Only authorized codes are used and all codes are recorded in a legible manner; and
6. The form is properly signed and dated.

G. Time/Leave Sheet Entry and Distribution

Time/leave hours will be entered into the PeopleSoft system by the facility/unit HRMS or designee. The original time/leave sheet will be retained by the facility/unit as a permanent record for three years (Fair Labor Standards Act (29 USC § 201 et seq.) (FLSA) Recordkeeping Regulations: 29 CFR Subpart A § 516.4-6) and a copy will be given to the employee.

1. Temporary (999) Employees

Hours worked by temporary employees will be entered into the PeopleSoft system using only the "WT" code. The "Payroll Reporting Form for Temporary Employees" ([Attachment A](#), attached) will be completed and forwarded to the Payroll unit.

2. Employees on Supplemental Payroll

Time/leave hours for employees on supplemental payroll will be entered into the PeopleSoft system by noon on the first working day of the month. The "Payroll Reporting Form for Supplemental Payroll" ([Attachment B](#), attached) will be completed, listing each employee to be paid on supplemental payroll and the reason (worker's compensation, donated leave, leave without pay, new hire, or separation). The notice will be transmitted to the Central Human Resources Time and Leave unit, along with a copy of the original signed timesheet, which will be used for calculating the payroll.

3. Employees on Main Payroll

Time/leave hours for employees on main payroll will be entered into the PeopleSoft system by the established deadline each month.

H. Transferred (Intra-Agency) Employees

The facility/unit will forward time/leave sheets, completed to date, to the receiving facility, for employees who have transferred to a new location within the agency during the month. The receiving facility will be responsible for completion of the time

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sheet for the remainder of the month. Time/leave hours will be entered into the PeopleSoft system by the receiving facility/unit HRMS or designee.

The time/leave sheet procedure for employees attending pre-service or CLEET academy training will be the same as for transferred employees.

I. Time/Leave Exception Reports

A Time/Leave Exception report will be generated for each facility/unit of those time/leave sheets that either have not been entered or which have failed to process. The facility/unit must resolve all errors with the Central Human Resources unit prior to the deadline issued via e-mail notice and posted on the monthly "HRMS Field Calendar," as provided by the Central Human Resources unit.

Failure to process time/leave sheets will result in the delay of any overtime, administrative (hazardous weather) leave, or holiday pay due and may delay the issuance of the employee's next monthly pay.

J. Training

The HRMS will ensure that all new employees are provided instruction in the proper completion of the time/leave sheet during orientation in accordance with [OP-110110](#) entitled "Enrollment Procedures for New Employees."

K. Work Verification

Facility/unit heads will implement processes to ensure that employees, who are not under the direct observation of a supervisor, are providing ongoing verification of the work assigned and performed, and coincides with the reported hours worked. Such processes may include, but are not limited to, regular reports, activity/travel logs, contact through e-mail, or third party contacts.

III. Leave Accrual Reports

A. Official Agency Record

"Employee Leave Accrual Reports" will be generated monthly for each employee indicating the agency's record (derived from continuously processed time/leave sheets) of the employee's monthly leave usage, leave accrual, and end of month leave balances. Any failure to process a time/leave sheet may suspend the official record of leave usage, accrual and balances. The record will not resume until a time/leave sheet processes for that month.

Employees are responsible for obtaining their Leave Accrual Report via PeopleSoft Employee Self-Service.

B. Correcting Leave Usage, Accrual and Balances

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Any errors detected by employees must be reported immediately to the facility/unit HRMS.

In order for corrections/changes to be made to official leave balances, processed time/leave sheets, or time/leave sheets that are pending processing, the HRMS must provide corrected time/leave sheets to the Central Human Resources unit. For time/leave sheets that have successfully processed through the month in which the correction/change is being requested, the HRMS will also complete the "Time/Leave Sheet and Payroll Processing Audit Form" ([Attachment C](#), attached) and attach it to the corrected/amended time/leave sheet prior to forwarding them to the Central Human Resources unit.

Corrections/changes that are discretionary in nature (and not required by statute, rule, or the agency's procedures) will not be made after the affected time/leave sheet is officially processed.

IV. Payrolls (4-ACRS-7D-27)

Agency payroll procedures will comply with all applicable statute, rule and law and pertinent guidelines established by the Office of Management and Enterprise Services (OMES) and Human Capital Management (HCM).

Employees, supervisors, and HRMS's are responsible for the timely and accurate submission of documentation to ensure the accuracy and timeliness of payments to employees.

A. Types of Payrolls

1. Main Payroll

Main payroll, issued on the last working day of the month, Monday through Friday, includes those regular employees who will be receiving a full warrant and who are not subject to any potential deductions due to their employment or leave status.

No part-time employee hired to work less than 1,000 hours per year may be hired or paid as a regular employee. All employees hired to work less than 1,000 hours per year must be hired as a temporary employee and paid either as a 999 temporary (see below) or contract employee. Temporary employees are only authorized to work 29 hours or less per week. Regular part-time employees (hired to work 1,000 hours or more) must have a regular work schedule per work week and be in pay status the appropriate number of hours per work week (i.e., a 50% part-time employee must be scheduled to work 20 hours and be in pay status for 20 hours every work week) in order to be paid on regular main payroll. The HCM 14 for a part-time employee must

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specify both the percentage of fulltime work and the number of hours per work period which constitutes the employee's regularly assigned schedule.

Changes to an employee's salary (e.g., promotions, demotions, details to special duty) will be processed on main payroll during the effective month if the transaction (HCM 14) is received prior to payroll processing.

B. Types of Payments with Main Payroll

1. Holiday Payments

Payments for holidays worked will be made, in accordance with Merit Rule 260:25-15-43, for the actual number of holiday hours earned (and not subsequently used) that are recorded and submitted for payment.

For the purposes of computing salary for all employees, other than temporary employees, holidays will be considered eight hour workdays. In order to receive pay for a holiday, an employee must be on pay status or furlough for the entire regularly scheduled workday before the holiday or the workday after the holiday [Merit Rule: 260:25-15-43(b)]. No employee will receive holiday pay for any holiday occurring before entering on duty or after terminating employment. Part-time employees will receive holiday pay in an amount proportionate to that which is received by full-time employees [Merit Rule 260:25-15-43].

Employees will be paid their regular base pay for holiday hours earned but not used within 180 days. Employees may be scheduled to use holiday time that was earned (for holidays worked) during the five months (pay periods) following the month in which the holiday was earned.

2. Longevity Payment

Longevity payments will normally be made in accordance with the Longevity Pay Plan established in Title 74 Section 840-2.18 and are paid in conjunction with main payroll for the month of the employee's anniversary date. (74 O.S. § 840-2.20(H))

3. Supplemental Payrolls

Employees will be paid on supplemental payroll when the circumstances of their employment will result in less than a full warrant or make it unpredictable whether a full warrant can be issued. Supplemental payroll checks are issued to pay on or about the 12th day of the month, following the end of the pay period. If the 12th falls on a Saturday or Sunday, the payroll checks will be issued to pay on the last working day prior to the weekend. Checks that are not subject to direct deposit are delivered to the employee as soon as possible following issuance.

In the event the appropriate and required documents are not received by the Central Human Resources unit in time to process for the supplemental payroll, the employee will be paid on the first available off cycle payroll.

Employees who have been issued a payroll check on the main payroll process, but whose check had to be cancelled due to unpaid leave status or termination, will be paid on the off-cycle payroll payable on the 25th of the following month.

The HRMS must notify the Central Human Resources unit to remove an employee from main payroll when:

- a. An employee enters on duty with the agency on any day other than the first calendar day of the month, or terminates employment on any day other than the last calendar day of the month; or
- b. An employee has, or is anticipated to have, any period of unpaid status during the pay period such as leave without pay, unauthorized absence, and suspension without pay. This includes employees for whom workers compensation claims have been filed and which could be expected to result in lost time (leave without pay, with or without supplement).

Employees will be returned to main payroll for the first pay period in which the employee returned to paid status or completed a full month of employment with the agency.

(1) Types of Payments with Supplemental Payrolls

(a) Temporary Employment

Temporary (999) employees will be paid an hourly wage rate for the actual number of hours recorded and submitted for payment.

(b) Longevity Payments

Any employee in unpaid status for 30 days or less, and otherwise eligible to receive a longevity payment, will receive the longevity payment on the first supplemental payroll after the employee returns to paid status and documents (time/leave sheet and HCM 14) verifying the return to pay status have been received.

Longevity payments will be made in accordance with the Longevity Pay Plan established in 74 O.S. § 840-2.18

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and may be paid in conjunction with the supplemental payroll for the month of the employee's anniversary date. (74 O.S. 840-2-18H)

Employees on leave without pay for more than 30 days will not receive longevity payments until returning to a pay status.

c. Worker's Compensation

Employees who are using leave supplements while on workers' compensation will be paid on the supplemental payroll.

4. Off-Cycle Payroll

a. Types of Payments with Off-Cycle Payrolls

(1) Overtime Payments

Payments for overtime will be made in accordance with the provisions of FLSA and [OP-110305](#) entitled "Overtime Pay and Compensatory Time" for the actual number of paid hours (not adjusted) that are recorded and submitted for payment. Such payments will be calculated at the employee's regular rate of pay.

(2) Shift Differential

Shift differential payments will only be made for hours actually worked (W). No payment will be made for any time an employee is on leave status (paid or unpaid) or when that employee no longer occupies the particular position under the circumstances that necessitated the differential.

(3) Payments for Excess Annual Leave That is Lost (74 O.S. § 840-2.20.A.1.)

Payments for any hours of excess annual leave that is lost will be made in accordance with the provisions of [OP-110355](#) entitled "Procedures for Employee Attendance and Leave."

Employees must initiate payment by completing a "Claim for Payment of Lost Excess Annual Leave" form ([Attachment H](#), attached) and submitting to the Central Payroll unit through the facility/unit HRMS, facility/unit head, and administrator of Intuitions/Community Corrections/division head. An "Employee

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Leave Accrual Report”, confirming the loss of annual leave, must be attached to the claim form.

Approved claims will be paid on an off-cycle payroll following receipt by the Central Payroll unit.

C. Paycheck Distribution

Unless otherwise authorized (see below), paychecks for all employees on main payroll will be distributed by the facility/unit of employment on the last regular working day (Monday through Friday) of each calendar month.

Paychecks may not be held or canceled and re-issued unless the employee will receive a corrected paycheck within ten working days after the established payday for the affected pay period (40 O.S. § 165.2 and 62 O.S. § 275.11).

1. Mailing Paychecks

Paychecks (for all payrolls) that require mailing to employees, (i.e. employees working in probation and parole sub-offices) will be mailed to arrive on the last regular working day (Monday through Friday) of the month.

2. Early Release of Paychecks

Paychecks will be released to the employee prior to the last working day of the month only if the employee is scheduled to be off work or at a work location other than the employing facility. The facility/unit head (or designee) must provide the HRMS written verification that the employee will not be available on payday.

Paychecks may not be cashed or deposited until the last regular working day (Monday through Friday) of the month.

The employee and the facility/unit head (or designee) must sign and date the “Conditions for the Early Release of Paychecks” ([Attachment D](#), attached) verifying the circumstances warranting early release and acknowledging the rules concerning the cashing or depositing of the paycheck.

3. Direct Deposit and Pay Card Enrollment (74 O.S. § 292.12 and Merit Rules 260:25-25-1-3 and 260:25-25-14)

The direct deposit and pay card system provides for the direct deposit of employees’ paychecks and warrants, through electronic transfer, to financial institutions selected by the employees.

All new employees (original or re-instatement hires with the state) must enroll in the direct deposit or pay card system at the time they enter on duty by completing an “Automatic Deposit Transmittal” form, available from their

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HRMS. The HRMS will forward the completed form to the Central Human Resources unit with the new hire enrollment packet. Paychecks and other warrants will be distributed directly to employees pending activation of the electronic transfer.

4. Supplemental Payroll

Paychecks for supplemental payroll will be issued on or about the 12th day of the month following the end of the pay period and will be released, distributed, and mailed accordingly.

5. Release of Paychecks to Person Other Than Employee

The employee's paycheck may be released to someone other than the employee when the employee has provided written authorization which designates a person to whom the paycheck is to be released or pursuant to a legal document such as power of attorney.

D. Verification/Accuracy of Paychecks/Payrolls

1. Responsibility of HRMS

The HRMS is responsible for:

- a. Reviewing the pay advise register (including overtime and holiday pay) and immediately advising the Central Human Resources unit of any discrepancies/errors; and
- b. Ensuring that transaction (HCM 14) forms affecting the accuracy of employee paychecks are properly completed and timely submitted to the Central Human Resources unit.

2. Responsibility of Reporting Overpayments and Underpayments

Employees are responsible for reviewing all paychecks/pay advice via the PeopleSoft ESS and immediately reporting any overpayments or underpayments to the facility/unit HRMS.

3. The facility/unit HRMS will be responsible for immediately reporting any occurrence of overpayment or underpayment to the Central Human Resource Payroll unit by electronic mail.

E. Transactions/Notifications to Payroll

1. Transactions (HCM 14)

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All changes to an employee's established base pay or reductions to the monthly paycheck due to any unpaid status must be reported by the facility/unit HRMS to the Central Human Resources unit within the time frames and processes outlined in this procedure.

a. Changes Affecting Main Payroll

All changes to an employee's base pay to include promotions, demotions, details to special duty, and eligible lateral transfers will be processed for payment on the first main payroll issued for the pay period in which the HCM 14 has been timely received. Any HCM 14 that is received after the time limit will be processed for the next pay period's main payroll.

b. Changes Affecting Supplemental Payroll

All changes reducing an employee's paycheck due to unpaid status (to include any leave without pay, suspension without pay, or unauthorized absence), and any new hires after the first of the month, must be reported on an HCM 14 and attached to the accurately completed time/leave sheet. The transaction and the time/leave sheet will be forwarded to the Central Human Resources unit by the established deadline for each month after the pay period is ended.

2. Notification to Remove Employee from Main Payroll

The HRMS must submit the names of employees to be removed from main payroll using the "Notification to Remove Employee From Main Payroll" ([Attachment E](#), attached). [Attachment E](#) must be forwarded to the Central Payroll unit as occurrences warrant, but no later than one week prior to the distribution or deposit of paychecks for main payroll. For each month an employee is on supplemental payroll, the "Notification to Remove Employee From Main Payroll" ([Attachment E](#), attached) must be forwarded and the time/leave sheet sent under separate cover as described in this procedure.

F. Payroll Deductions

1. Involuntary

Garnishments (including any income assignment directing the payment of child support) as a result of a district court or administrative order will be processed, and employees notified of such garnishments, in accordance with state statute (12 O.S. § 1171 et seq). Such garnishments can only be stopped or modified upon receipt of a district court or administrative order.

Federal levies to withhold earnings to be paid to the Internal Revenue Service (IRS) will be processed in accordance with IRS regulations.

2. Voluntary

Employees may use payroll deductions to purchase goods and services from, or make charitable contributions to, those groups, companies, and organizations, or for purposes, which the State of Oklahoma has approved, for payroll deduction. Such payroll deductions, administered in accordance with applicable statute and merit rules include: credit unions, supplemental insurance, supplemental retirement plans, legal insurance, salary adjustment agreements included in the state flexible benefits plan, Oklahoma Public Employees Association (OPEA) and other statewide associations, college savings accounts, United States savings bonds, and charitable organizations.

Employees may obtain information about approved payroll deductions and initiate such deductions through the facility/unit personnel office.

G. Overpayments/Underpayments

The agency will seek repayment of any overpayments made to an employee.

In the event an overpayment or underpayment to an employee is the result of an administrative error, the amount owed to the employee or due to the agency from the employee will be paid in accordance with 74 O.S. § 840-2.19.B.3.

1. Underpayments

Disbursement of underpayments to an employee will include all underpayments made within a period of two years prior to the determination of the error (74 O.S. § 840-2.19.B.7).

2. Overpayments

- a. Recovery of overpayments from an employee will include all overpayments made within one year prior to the determination of the error (74 O.S. § 840-2.19.B.7).
- b. Prior to initiating recovery of overpayments, the agency will provide the employee with notice and opportunity to respond. (74 O.S. § 840-2.19.B.8) Such written notice will be provided to the employee within ten days of the determination that an overpayment has been made. The notice will contain (74 O.S. § 840-2.19.D.1):

- (1) The amounts paid in error;
- (2) The dates of the payments;

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- (3) The options available for repayment;
 - (4) The right to protest the findings; and
 - (5) A space for the employee to indicate the repayment option or protest the findings.
- c. Options for repayment will include (74 O.S. § 840-2.19.D.2):
- (1) Lump-sum cash repayment;
 - (2) Reduction of subsequent paycheck(s) in a lump sum or installments over a term not to exceed the term in which the overpayment(s) were made;
 - (3) Reduction in accrued annual leave by an amount of time equal in value to the gross amount owed; or
 - (4) Any combination of the above.
- d. If a permanent classified employee protests, the agency will provide the facts in writing, the notice, and the protest to the Oklahoma Merit Protection Commission within five days (74 O.S. § 2.19.D.4).

H. Pay at Termination

1. Leave Accumulations

Terminating employees will be paid for accrued annual leave, up to the limits provided in 74 O.S. § 840-2.20 [Merit Rule 260:25-15-11(b) (8)], holiday time, and overtime on off-cycle payroll.

Terminating employees will not be paid for unused sick leave [Merit Rule 260:25-15-12(9)] or compensatory time [Merit Rule 260:25-7-12(d) (3)].

2. Longevity

Retiring employees and beneficiaries (of deceased employees) will receive a pro-rated longevity check. Longevity is not paid for any other type of termination from employment.

3. Payroll Beneficiaries

In the event of an employee death, all wages owed to the employee will be paid to the designated beneficiary as listed with the agency on the Data Summary Sheet. If a beneficiary for wages has not been named, the final wages, not to exceed \$3,000.00, will be paid to any surviving spouse, or if no surviving spouse, to any dependent children or their guardians in equal

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shares. Any final wages more than \$3,000.00 will be distributed after any legal action (40 O.S. § 165.3a).

Prior to disbursement, the HRMS will confirm the identity of the named or statutory beneficiary (picture I.D.) and require proof of relationship to the deceased employee (marriage license, birth certificate) if released to an unnamed, statutory beneficiary (spouse, dependent child or guardian).

4. Failure to Return Agency Property

Employees are required to return state property in their possession as requested by the employer. Any failure to return property may result in a reduction of the final wages by the depreciated value of the property (40 O.S. § 165.3). In calculating such values, each \$100.00 of property will be considered fully depreciated after each year of its life in the agency (i.e. \$200.00 of property will be valued at \$100.00 after one year of life and fully depreciated after two years). Security equipment will not depreciate in value.

I. Non Cash Taxable Benefit and Income Reporting of State Vehicle Use

Internal Revenue Service (IRS) rules provide that certain eligible employees (both drivers and passengers) who use a state vehicle for non-business commuting to or from work and their residences derive a non cash taxable benefit from that usage which must be reported to the IRS as income to the employee.

1. Affected Employees

The following drivers, and any passengers of such drivers, will derive a non-cash taxable benefit for each one way commuting trip to or from work and their residences:

- a. All essential employees as defined in 47 O.S. § 156.1.A; and
- b. All emergency responders as defined in 47 O.S. § 156.1.B.

2. Notification to the Central Human Resources unit

- a. The agency director's office will notify the Central Human Resources unit of any job or individual employees deemed essential under 47 O.S. § 156.1.A and any employees who are authorized emergency responders in accordance with 47 § O.S. 156.1B.

Notification will be provided anytime such "essential" status or authorization is rescinded.

- b. Commuting drivers will report any agency employee who is transported to or from work as a passenger using the "Monthly

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Passenger Commuting Notification Form” ([Attachment F](#), attached) to the Central Human Resources unit. The completed form must be provided to the Central Human Resources unit by the fifth working day of the month following the month in which the commute occurred. A copy of the form will be provided to each reported passenger by the Central Human Resources unit.

- c. Commuting drivers will report any instance of workday commuting that was either less than or exceeded one roundtrip using the “Change in Commuting Schedule Form” ([Attachment G](#), attached). The completed form must be provided to the Payroll unit in Central Human Resources by the fifth working day of the month following the month in which the commuting schedule varied.

3. Taxable Income

- a. Every employee for whom notification has been received in accordance with Section IV. I. 2. item a. of this procedure above will have a taxable income of \$3.00 per workday (\$1.50 each one way trip) reported to the IRS except as provided in Section IV. I. 3. items c. and d. below.
- b. Every employee passenger for whom notification has been received in accordance with Section IV. I. 2. item b. of this procedure will have a taxable income of \$1.50 reported to the IRS for each one way trip.
- c. The reported taxable income for commuting employees will be adjusted in accordance with any notification provided on the “Change in Commuting Schedule Form” ([Attachment G](#), attached).
- d. Employees who use a state vehicle to commute and live in state provided housing on the grounds of their duty station will not incur a non cash benefit from such vehicle usage.
- e. The non-cash benefit from the employee’s paycheck is subject to all taxes (Federal, State, FICA, and Medicare).

V. References

Policy Statement No. P-110100 entitled “Uniform Personnel Standards”

OP-110110 entitled “Enrollment Procedures for New Employees”

OP-110215 entitled “Rules Concerning the Individual Conduct of Employees”

OP-110305 entitled “Overtime Pay and Compensatory Time”

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OP-110355 entitled “Procedures for Employee Attendance and Leave”

OP-110340 entitled “Employee Compensation”

12 O.S. § 1171 et seq.

26 O.S. § 7-101

40 O.S. § 165.2, 40 O.S. §165.3, 40 O.S. §165.3a

44 O.S. § 209

47 O.S. § 156.1A, 47 O.S. § 156.1B

57 O.S. § 528.6

62 O.S. § 275.11, 62 O.S. § 7.10

72 O.S. § 48

74 O.S. § 840-292.12

74 O.S. § 840-2.15

74 O.S. § 840-2.15C

74 O.S. § 840-2.18.

74 O.S. § 840-2.18.(H)

74 O.S. § 840-2.19.B.3.

74 O.S. § 840-2.19.B.7.

74 O.S. § 840-2.19.B.8.

74 O.S. § 840-2.19.D.1.

74 O.S. § 840-2.19.D.2.

74 O.S. §840-2.19.D.4.

74 O.S. § 840-2.20

74 O.S. § 840-2.20.A.A.

74 O.S. 840-2.20.A.1

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74 O.S. § 840-2.20.A.5

74 O.S. § 840-2.20A.7

74 O.S. § 840-2.20.A.8

74 O.S. § 840-2.20A.9

74 O.S. § 840-2.20.(H)

74 O.S. § 840-2.22

85A O.S. § 45

Merit Rules: 260:25-15-11(b)(8); 260:25-7-12(d)(3); 260:25-15-12(9); 260:25-15-40; 260:25-15-43; 260:25-15-43(b); 260:25-15-45; 260:25-15-45(i); 260:25-15-46(a); 260:25-15-50; 260:25-15-71; 260:25-15-71(d); 260:25-25-1-3; 260:25-25-14

Oklahoma State Employees' Direct Deposit Rules (Merit Rule 260:25-25)

Oklahoma State Charitable Contribution Campaign Rules

IRS Regulations

Family and Medical Leave Act of 1993 (Public Law 103-3)

National Defense Authorization Act of 2008, Section 585(a) (Public Law 110-181)

Fair Labor Standard Act (29 USC § 201 et seq.)

VI. Action

The unit head/affected administrator of Institutions/Community Corrections is responsible for compliance with this procedure.

The chief administrator of Human Resources is responsible for the annual review and revisions.

Any exception to this procedure will require prior written approval from the agency director.

This procedure is effective as indicated.

Replaced: Operations Memorandum No. OP-110120 entitled "Procedures for Time/Leave Sheets and Payroll Processing" dated June 26, 2020

Distribution: Policy and Operations Manual

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Agency Website

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<u>Attachments</u>	<u>Title</u>	<u>Location</u>
Attachment A	"Payroll Reporting Form for Temporary Employees"	Attached
Attachment B	"Payroll Reporting Form for Supplemental Payroll"	Attached
Attachment C	Time/Leave Sheet and Payroll Processing Audit Form	Attached
Attachment D	"Conditions for the Early Release of Paychecks"	Attached
Attachment E	"Notification to Remove Employee From Main Payroll	Attached
Attachment F	"Monthly Passenger Commuting Notification Form"	Attached
Attachment G	"Change in Commuting Schedule Form"	Attached
Attachment H	"Claim for Payment of Lost Excess Annual Leave"	Attached
Attachment I	"Conversion of ODOC Time/Leave Codes to PeopleSoft Time Reporting Codes"	Attached
Attachment J	"ODOC Time/Leave Codes"	Attached