

Policy Statement

PAYROLL TIME AND LEAVE REPORTING

It is the policy of the County of Monterey to pay all employees for time worked in an accurate and timely manner, in accordance with applicable Federal labor laws, and to maintain the required supporting documents and records. This policy applies to County employees who are paid biweekly regardless of their Fair Labor Standards Act-based (FLSA) nonexempt/exempt status. Nonexempt employees are entitled to overtime pay. Exempt employees are not. Employees have a duty to comply with County of Monterey guidelines with respect to time and attendance as well as to leaves from work. Supervisors have a duty to be familiar with those procedures as well as the basic provisions of the FLSA and applicable MOU's covering time reporting and record keeping.

Purpose

The purpose of this policy is to formalize County of Monterey payroll system practices, to facilitate compliance with the provisions of the FLSA and other applicable federal and local laws and related regulations, and to ensure that time records are accurately reported.

Procedures

The County of Monterey makes available an automated time reporting system to record time worked for the purpose of:

1. Collecting the data necessary for the accurate and timely payment of wages;
2. Tracking compliance with appropriate governmental regulations; and
3. Maintaining the required supporting documentation.

The system provides for payroll reporting and recording through a specific module of the Human Resources Management and Payroll System. Such reporting provides that all employees will access the Employee Self Service module (ESS) in order to submit timesheets. All employees are required to use the system, as detailed below.

Employees who are in FLSA "nonexempt" status are required to use the ESS module to record hours worked for each scheduled workday. The system also records absences from work (paid and unpaid) and provides the means to allocate an employee's pay to programs, grants, activities, etc outside of an employee's home department and unit.

Employees who are full time and are in an "exempt" (from overtime) FLSA status ordinarily are scheduled to be paid eighty (80) hours per biweekly period, unless they move into an unpaid leave or disciplinary status, in accordance with County policy. Each exempt employee's supervisor is responsible for verifying paid time off for any pay period.

Accurate and timely reporting of employee time and attendance is the responsibility of the employee and his/her immediate supervisor. A nonexempt employee must assume responsibility for accurately reporting his/her hours for each scheduled work day. The supervisor is responsible for reviewing, approving, and reporting all hours worked and any paid time off for that nonexempt employee.

Employees may enter time only for themselves and only from locations approved by their supervisor. Where employees are located in remote County locations and unable to access the payroll system, an alternate method of payroll shall be established to record and maintain payroll records. Employees and/or

supervisors found to be improperly reporting work time and attendance information are subject to disciplinary action, up to and including termination.

Attendance

Employees shall be in attendance at their work, in accordance with the rules regarding hours of work, holidays and leaves. All departments shall keep daily attendance records for all employees that shall be reported to the County Auditor in the form and on the dates specified. An employee is deemed to have resigned if the employee is absent from work for the period of time prescribed in other County of Monterey rules, regulations, MOU's or other adopted County of Monterey provision(s), without authorization and/or notification during the period of absence. The employee shall be informed that should he/she fail to report to work the next workday, or receive authorization for such absence, the employee will be deemed to have resigned. Reinstatement shall be in accordance with applicable County of Monterey rules, regulations, MOU or other adopted County of Monterey provisions.

For any period of an employee's work schedule, his/her time shall be recorded as either regular work time or leave (vacation, sick, etc.) as appropriate but not both for the same work period.

Workweek

The workweek for employees shall be in accordance with the law including any applicable provisions of the State of California governing wage and hours laws and the FLSA.

Pay Periods

The County shall establish pay periods in accordance with the law.

Pay Days

The County shall establish pay days in accordance with the law and for the administrative convenience of County operations.

Deductions

Deductions from employees' pay checks shall be made in accordance with prevailing laws, contracts, and administrative rules and regulations.

Overtime

Overtime is defined as time during which an employee is directed to work in excess of his/her regularly schedule work period or overtime threshold. Overtime will be paid in increments of 1/4 of an hour. As a result of the time-in and time-out requirements, overtime will begin and be paid the first minute following the first seven minutes of the completed regularly scheduled work period.

For example: An employee (subject to daily overtime after 8 hours) is scheduled to complete his/her regularly scheduled work period at 5:00 p.m. (the employee began work at 8 a.m. with 1 hour unpaid lunch.) In this example, the employee will earn 15 minutes overtime after working more than 8:00 minutes. The employee will not receive any overtime if s/he works 7:59 minutes or less. Employees whose overtime is payable upon completion of 40 hours or of an approved flexible work period will begin to receive overtime beginning with the eighth minute following completion of the applicable work period.

The same procedures will be followed for employees who manually record time. This does not mean that people may routinely clock-in or record time up to eight minutes late. A continuing lack of punctuality may result in disciplinary action up to and including termination.

Employees must get approval from their department manager and or designee to stay beyond their scheduled work time.

Employee Time Increments

The purpose of including a time increment into the pay policy is to provide employees with a standardized method and approach that defines how an employee's time is to be documented and calculated for payroll purposes. For purposes of this policy, time is defined as hours worked or accruals used (e.g., vacation, sick, personal time off, compensatory time, etc.).

All County employees shall receive communication of their established work schedules/shifts in one or more forms of notification including writing, posted in a common employee space and/or provided verbally. Such communication shall include the days and hours of work, any schedule/shift modification and shall be provided in a timely manner. The established work schedule/shift shall include the scheduled days of work and the associated hours of e.g. work i.e. 8:00 a.m. to 5:00 p.m. Monday through Friday.

Alternate work schedules are not permitted without the expressed written approval of the County Administrative Officer or delegated Department Head.

Time-in and Time-out

All County of Monterey employees directed to do so will be required to enter a time-in and a time-out for each day of work for the County. For payroll purposes time-in is the time you arrive at work and time-out is the time you break from work (depending on the department) or leave work for the assigned day or shift of work.

Frontloading

The new Advantage system utilizes a 24 hour period of time reporting which establishes midnight as the start of the work day. For employees whose MOU provides daily overtime as time worked in excess of eight (8) hours in a day or an employee's regularly scheduled shift and they begin work prior to midnight and their work day/shift extends beyond midnight, the employee is considered to have worked a full shift on the date of the start of the work shift. For example, an employee scheduled to work a swing shift from 9:00 P.M. Thursday to 5:00 A.M. Friday will have time recorded as 8 hours worked on Thursday. This is referred to as Frontloading.

This method shall apply only to those employees whose MOU provides daily overtime as time worked in excess of eight (8) hours in a day or an employee's regularly scheduled shift. Frontloading has been incorporated in this Policy in order to provide such operations an effective method of recording all of the employees schedule work time in the appropriate pay period.

Grace Period

Employees will enter time in the payroll system in 15 minute increments. For payroll calculation purposes, there will be an assigned 7 and a half minute grace period before and after the defined scheduled start time of the shift. All required employees will clock-in within this grace period for their scheduled work day/shift in order to be paid from the scheduled start time. For example, if an employee is scheduled to begin work at 7:00 a.m., the employee will be determined to have begun working at the scheduled time if their time-in is between 6:53.30 a.m. and 7:07.30 a.m.

The grace period is provided and is defined for payment purposes only. The grace period does not mean that staff can routinely clock-in up to seven and one half minutes late. Employees who habitually clock in late may be subject to disciplinary action.

An employee is considered late for work whenever they do not clock in and arrive at their work station by their scheduled start time. Employees are to be ready to begin work by their scheduled start time.

Approval of Time Through Kronos

At this time the Kronos method is only applicable to NMC employees. Such employees are required to approve their time via the Kronos time keeping system by the Tuesday following the end of the pay period, excluding pay periods with a holiday. In the pay period containing a holiday employees will be asked to approve their time on the preceding Friday. Employee time approval must be in advance of supervisor approval.

- The Department Manager or designee will approve their employee's time utilizing the Kronos System before it is submitted to the payroll department for processing.
- Time recorded by the badge swiping process in the Kronos timekeeping system and the approval of such time is considered legally valid for pay purposes. No employee is allowed to swipe in or out for another employee under any circumstances. Failure to follow this policy will result in disciplinary action up to and including termination.

Responsibilities

Reporting time worked via the new payroll system and the ESS creates specific responsibilities for the department, managers and supervisors and the employees. Such responsibilities are defined below.

Department Responsibilities

- Establishing the deadline for time sheet submittal based on the payroll calendar and internal department operations.
- Establishing alternative methods of timesheet submittal for employees who work in remote locations and who do not have access to ESS on a regular basis for self time reporting.
- Ensuring that payroll policies and procedures are adhered to and all methods of required review are performed.
- Ensuring that employees are properly trained in the Employee Self Service (ESS) payroll submittal module.
- Informing all managers and supervisors of the importance of adhering to the County's policies and departmental practices as they relate to time recording and time worked.
- Processing timesheets for employees out on leave of absences. Such processing shall be performed by the departmental timekeeper.

Manager and Supervisor Responsibilities

- Being familiar with the County's policies which govern hours worked, meal periods, overtime pay, and premium pay for shifts, weekends, and on call as defined in applicable policies and any other applicable documents, including collective bargaining agreements as appropriate.
- Informing all employees of the importance of adhering to the County's policies and departmental practices as they relate to time recording and time worked.
- Reviewing pay reports and regularly notifying your departmental timekeeper of any erroneous or missed entries that require correction on a timely basis.
- Reviewing and approving time worked, leave time and overtime in accordance with the County's Biweekly Payroll Calendar.
- Reviewing, approving and sending to Departmental Payroll Services any manual time sheets no later than the "Due Date" noted on the Biweekly Payroll Calendar.

- Signing and approving payroll time and leave documents via electronic signature.
- Maintaining 'Work and Leave' records for all full time and part time employees assigned to the department.
- Establishing employee shift and work schedules (including flexible work schedules) that are consistent with County policy, FLSA and applicable MOU's.

Employee Responsibilities

- Reporting all time worked by using ESS (or alternate manner established for remote located employees or departments with other means of compatible time recording such as Kronos) at the end of every pay period in order to be paid. Timesheet should be submitted by the end of their last shift for the pay period.
- Entering time-in and time-out through ESS in order for the system to properly calculate pays.
- Any special pay calculations are based on the shift hours worked by the employee.
- Providing your supervisor with a written request for all leave.
- Adhering to County MOU's, policy and departmental rules relating to time and attendance.
- Reporting promptly any discrepancies between the time you worked and your pay to your supervisor or timekeeper.
- Submitting advance timesheets prior to a scheduled vacation. The system has effective dating so timesheets can be submitted in advance of vacation.

Exempt Employees Request for Time Off

Exempt employees shall submit requests for time off to their immediate supervisor or manager with as much advance notice as possible as follows:

Requests for Time Off for Full Day Absences

Exempt employees shall submit requests for time off for full day absences to their immediate manager with as much advance notice as possible. Authority to approve the request is at the sole discretion of the immediate manager based on the nature of the request and the operational demands of the department.

Exempt employees must use vacation, paid time off (PTO) or annual leave for full-day absences. If an employee exhausts his/her paid leave accruals, s/he must use unpaid leave.

Requests for Time Off for Partial Day Absences

Exempt employees shall submit requests for time off for partial day absences to their immediate manager with as much advance notice as possible. Requests for partial day absences in one hour increments are permitted. Authority to approve the request is at the sole discretion of the immediate manager based on the nature of the request and the operational demands of the department.

Exempt employees may be required to use vacation, paid time off (PTO) or annual leave to cover partial day absences. The authority to require an employee to use vacation, paid time off (PTO)/or annual leave for partial day absences is at the sole discretion of the immediate manager.

If requests for time off for partial day absences are infrequent and the immediate manager is confident that additional time worked by the employee easily offsets the time off requested, s/he may authorize paid time off without use of vacation, paid time off (PTO) or sick leave. If additional time worked is not a reality, the immediate manager may require the employee to use vacation, paid time off (PTO) or annual leave for the partial day absence. Deductions from salary will not be made when the

employee uses unpaid leave to cover partial day absences from work for personal reasons, sickness or disability.

Requests for Unscheduled Time Off

Exempt employees shall notify their manager if illness, an emergency, or pressing personal matter necessitates a late arrival to work or time off during the workday. For use of vacation, paid time off (PTO), annual leave and/or sick leave or deductions from salary for such absences, please see the above sections regarding requests for time off for partial and full day absences.

Requests for Flex Schedules

Exempt employees shall submit requests for full-time flex schedules to their immediate manager with as much advance notice as possible. Authority to approve full-time flex schedules is at the sole discretion of the immediate manager based on the operational demands of the department.

Alternative Work Schedules

Alternative work schedules are not permitted without the expressed written approval of the County Administrative Officer or delegated Department Head. Alternative work schedules are considered as follows:

Any schedule of work which alters the normal work schedule of 5 days weeks, 8 hours per day including but not limited to:

- A compressed workweek of 9 days and 80 hours within a 14 day period
- A compressed workweek of 4 days/10 hours per day in a 7 day workweek

Such schedules shall also require a review and approval of Central Human Resources and County Counsel for compliance with the provisions of the FLSA. The County Auditor shall also review any proposed flexible work schedule to determine if the parameters of such schedule are consistent with programming for the payroll system.

Employee Voluntary Leave of Absence Without Pay

Employees shall be paid for all time worked. A voluntary leave of absence without pay shall not result in pay for an employee when on such leave. When determined to be in the best interests of the employee and the County of Monterey, the Appointing Authority may approve a leave of absence without pay be as follows:

- Only regular or seasonal employees occupying regular or probationary positions are eligible for leaves of absence without pay
- Voluntary leaves of absence without pay shall be for periods of no less than two weeks and not more than six months
- A voluntary leave of absence without pay may be extended beyond the time specified above if approved by the appointing authority and unusual circumstances exist to warrant such extension

Such leave is a privilege, not a right, and must be requested in writing by the employee, stating the reason and requested dates of leave.

Employee benefits shall not be continued during leave in excess of one (1) calendar week unless any insurance contract provisions permit and the employee agrees in writing to pay the total monthly cost or a portion thereof, as appropriate, by a method satisfactory to the County of Monterey. Benefits not paid as agreed shall terminate. Employees on voluntary leave of absence without pay in excess of one (1) calendar week shall not accrue leave nor service credit, but shall retain unused accruals as of the date the leave began.

An employee on leave shall confirm in advance of the leave expiration date his/her intention to return. A leave of absence may be revoked by the Appointing Authority upon a determination that the reason for leave was not as stated and did not serve the County of Monterey's best interests. In either case, the employee shall be notified by certified mail.

Conflict With Other Provisions

Should this policy conflict with provisions of any adopted County of Monterey Memorandum of Understanding (MOU), the language of the applicable MOU provision shall prevail.