



Salary Payroll Processing

for

Graduate Assistants

Academic Employees

Unclassified Employees



Office of Accounting Services
Payroll Division
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OVERVIEW OF SALARY PAYROLL PROCESS

1. **Fiscal Payroll:** Payment of Graduate Assistants (GAs) and fiscal employees with a fiscal (12 month) contract.

Earnings for fiscal employees are calculated based on the number of calendar days in the month.

The pay date for fiscal employees is the last working day of the month.

2. **Academic Payroll:** Payment of GAs and academic employees with an academic year (9 month) contract.

An academic employee's appointment follows the academic year. The academic year begins with orientation and ends with graduation.

Earnings for academic employees are based on the number of actual work days in the academic year which excludes holidays, weekends and days between semesters. If a GA or academic employee begins his or her appointment after the start of the academic year, the total annual salary will be determined using the University academic completion tables.

Academic employees working for the entire academic year receive nine equal checks beginning in September and ending in May. The result of this method of payment is that the employee receives four checks in the first semester and five checks in the second semester. The January check represents payment for two semesters with half the monthly rate of pay for the first semester and half the monthly rate of pay for the second semester. If an employee only works one semester he/she will earn 50% of their annual salary.

Specific pay basis codes have been established for academic employees and GAs who work either the fall or spring semester only. For fall semester only the pay basis is 13 for Academic employees and 83 for GAs. The employee will receive all of his/her compensation in four equal checks from September - December. For spring semester only the pay basis is 14 for Academic employees and 84 for GAs. The employee will receive all of his/her money in four equal checks from February - May.

The pay date for academic employees is the 21st of each month from September to May.

3. **Academic Withheld Payroll:** Payment of academic employees who have elected to have their **net** pay spread over 12 months instead of 9 months. Earnings for academic withheld employees are determined in the same manner as regular academic employees. The salary for an academic withheld employee is paid over nine months with approximately 25% of the **net** check withheld as a payroll deduction (This is listed as a deduction titled Academic Withheld on the pay stub). During the summer months of June, July and August the accumulated deduction is refunded in three equal payments on the last working day of the month.

The pay date for academic withheld employees is the last working day of the month. Same pay date as fiscal unclassified employees.

Useful Links:

[Academic and Professional Staff](#)

[Academic Withheld Agreement](#)

[Graduate Assistant Facts](#)

[International GAs](#)

INFORMATION NEEDED FOR PAYROLL TO PROCESS FORMS FOR PAYMENT

1. Approved Personnel Action Form. The employee name entered into HRS via the personnel form **must** match the employee's social security card. *Please note that HRM verifies that all approval signatures and supporting documentation have been received for all non-student employees.*
 - a. For new GA appointments the I-9 form must be completed. International student employees will also need an ISO approved Work Permit. Payroll will not release a new GA appointment until the I-9 form and Work Permit have been completed.
2. Valid U.S. social security number -a **999** number is temporary.
 - a. If a GA or an employee has a **999** number, Payroll must receive a copy of the employee's social security card before payments can be made. All forms with **999** numbers are held in RPAW status until receipt of a United States Social Security number. When the Social Security card is received, the forms will be processed for payment. LSU is **finned** by the Internal Revenue Service for any fictitious number that is reported to them. At the beginning of each semester the International Services Office can assist employees in obtaining a social security card.
 - b. IRS and Social Security require that the employee's name on the earnings record (W-2) match exactly the name on the employee's social security card.

Useful Links:

[I-9](#)

[I-9 Verification Procedures](#)

PROCESSING OF FORMS IN PAYROLL

Personnel action forms are the documents that authorize Payroll to pay an employee. The information on the form instructs Payroll who to pay, how much to pay (rate of pay), when to start paying (effective date) and how long to pay the employee (Control Dates such as, personnel action end date or the fund end date).

When processing forms, Payroll looks at several factors:

1. The effective date and the employment transaction type are the first set of determining factors the Salary Payroll Office uses to calculate the amount of pay due an employee:

Employment Transaction

XAPP (appointment)
 XSME (merit)
 XLVE (leave without pay)
 XRLV (return from leave)
 XSEP (separation)
 PRET (retirement)

Effective Date

Beginning of Business
 Beginning of Business
 Beginning of Business
 Beginning of Business
 Close of Business
 Close of Business

2. Next, Payroll ascertains the personnel action end date and the fund end date. Once a form is current in HRS the employee will receive that rate of pay until a form changing the rate of pay or separating the employee is received. To avoid overpayments, it is the policy of the Payroll Office to stop checks when an employee's personnel action end date or fund end date are prior to the end date of the current payroll period. The Payroll Office makes every attempt to avoid the inconvenience of overpayment to the employee in this process.
 - a. **Prior** to the payroll run, departments should run the report titled "Control Date Report" located under the Reporting Tools menu on myLSU to determine employees that may need a continuation (XCNA) form for the current pay period.
 - b. **After** each payroll run, departments are notified of the specific action taken when a XCNA form for a regular employee is not in process on the payroll run date. Payroll does not have authorization to pay an employee past those dates.
 - c. GAs will not be paid until the Payroll Office has received a continuation form.

SALARY CALCULATION EXAMPLE 1

Academic GA Appointed First Semester Only

Dreck D. Pozitt was appointed as an academic GA for the first semester only. The effective date of his appointment is August 15, 2011, and the personnel action end date of the appointment is December 16, 2011. According to the appointment form, he is to be paid an annual salary of \$15,600. The monthly rate of pay is \$1,950(15,600/8). To determine how much Dreck D. Pozitt will actually earn for the period stated above, perform the following steps:

1. Look at the Academic Completion Table (link below) and find the % for the day before the effective date (August 15, 2011) and subtract this from the % for the personnel action end date (December 16, 2011). The result would be 0.0000 subtracted from 0.50000. The calculation results in a % of .5000000 which is the % the GA is to earn for the first semester.
2. Take this % (.50000) and multiply it by the annual salary (\$15,600). The result is \$7,800. This is the total amount the GA will earn for working the first semester only. The GA will receive four equal payments (September, October, November, and December).

[Link to Academic Completion Table](#)

SALARY CALCULATION EXAMPLE 2

An Appointment for less than the Academic Year Starting after the Beginning of the Semester, Ending at Commencement

On August 30, 2011, Paid Correctly was appointed as an academic GA. The effective date of her appointment was August 30, 2011 and the personnel action end date of the appointment is May 18, 2012 (the end of the 2012 academic year). According to the appointment form she is to be paid an annual salary of \$15,200 based on the academic year. The monthly rate of pay is \$1,688.89 (15,200/9). To determine how much Paid Correctly will actually earn for the period stated above, follow these steps:

1. Look at the date prior to the appointment date (August 29, 2011) on the Academic Completion Table and find the percentage rate located to the right of the date. The % amount is 0.0647059.
2. Take the percentage rate (0.0647059) and multiply it by the annual salary (\$15,200). The result is \$983.53. (this is the total amount that the GA would have earned if employed from the beginning of the academic year through August 29, 2011.) **The Payroll Office will REDUCE the employee's first check by this amount.**
3. Take \$983.53 and subtract it from \$15,200 (the annual salary). The result is \$14,216.47. This is the total that the GA will earn for the academic year.

[Link to Academic Completion Table](#)

SALARY CALCULATION EXAMPLE 3

Academic Salary Adjustment after the Start of a Semester

Equa T. Justment had a continuation of a term appointment effective August 15, 2011, with a personnel action end date of May 18, 2012. The annual salary for the 2011-2012 academic year is \$70,000 (monthly rate of \$7,777.78). On November 1, 2011, Equa T. Justment received a salary adjustment increasing her annual salary to \$73,500 (monthly rate of \$8,166.67).

Because this salary adjustment occurred after the semester started, the academic completion tables will be used to determine the correct amount due to Equa T. Justment for the month of November.

According to the academic completion tables as of October 31, 2011 .3117647% of the annual salary would have been earned or paid.

The salary adjustment due to be paid for the period November 1, 2011 through May 18, 2012 is .6882353% (1.000000-.3117647)

Equa T. Justment's payroll check for the month of November will be adjusted to reflect the days in October that should be paid at the lower monthly rate. Payroll would make the following computation to determine the adjustment to November after the salary increase has become effective.

Annual salary 8-15-11 thru 10-31-11 (70,000 x .3117647)	= \$21,823.53
Annual Salary 11-01-11 thru 5-18-12 (73,500 x .6882353)	= <u>\$50,585.29</u>
Total annual salary	\$72,408.82
Less: Salary paid to date (7,777.78 x 2)	(15,555.56)
December through May salary (8,166.67 x 6)	<u>(49,000.02)</u>
November adjusted salary	<u>\$7,853.24</u>

The November salary amount, according to the completion table computation, is \$313.43 less than the new monthly rate; therefore, Payroll would then reduce the employee's November check by this amount to properly reflect the salary earned under the old rate before the salary adjustment became effective.

[Link to Academic Completion Table](#)

SALARY CALCULATION EXAMPLE 4

Fiscal Employee Separation

Sally Ree Trancefor, a fiscal employee with an annual salary of \$80,000.00 (monthly rate of \$6,666.67) and a 250 hour annual leave balance, resigns from the University effective November 20, 2011. Sally's resignation is a mid-month separation and Payroll will have to compute her salary for the twenty days she is due for November using the following formula:

Monthly rate divided by calendar days in the month multiplied by number of days worked.

Computation: $\$6,666.67 / 30 \times 20 = \$4,444.45$ (November 1st thru 20th salary)

In addition to being paid for 20 days in November, Sally is due 250 hours of annual leave. The formula and computation of annual leave is as follows:

Annual salary divided by 2080 multiplied by annual leave balance

Computation: $\$80,000.00 / 2080 \times 250 \text{ hours} = \$9,615.38$

STEPS TO PAYING EMPLOYEES TIMELY & CORRECTLY

The ultimate goal of the Payroll Office is to pay all employees timely and correctly. To achieve this goal, Payroll needs the following assistance from the departments:

1. Load personnel forms and route for approvals in a timely manner.
2. Complete the department section of the I-9 by the third day of employment.
3. Track all forms using HRS to ensure employees have completed the required items on the Employee Data Sheet.
4. Keep track of payroll policy changes and important dates by using available resources:
 - a. Accounting Services Newsletter
 - b. Payroll's Internet Website (www.fas.lsu.edu/AcctServices/pay/index.html)
 - c. Accounting Services monthly calendar
5. Notify Payroll **immediately** if the department becomes aware that an employee has or is expected to terminate, go on Leave Without Pay (LWOP), have a reduced work effort, etc. Call even if a form cannot be loaded immediately. If the payroll has not been processed, Payroll will adjust the earnings to the correct amount. If the payroll has been processed, Payroll may be able to reverse the payment and reissue the correct amount. If a check for a separated employee comes to the department and the department is not sure if the employee is due the check, please contact Payroll ASAP. Payroll will review the records and if the employee has been paid incorrectly the department will be asked to return the check to the Payroll office to be canceled and reissued, if necessary.

EFFECTS OF OVERPAYMENTS

<i>on the employee</i>	The employee's earnings record will be incorrect because it will reflect the overpayment of earnings until the employee pays back the amount of the overpayment. Another negative effect is that W-2 earnings are incorrect, possibly causing the employee to pay too much in taxes. Also, a hold will be placed on the student's record in the Office of Bursar Operations which prohibits the student from receiving grades, diploma, or transcript until the outstanding receivable has been paid.
<i>the Payroll Office</i>	Payroll will need to complete additional paperwork to establish an Accounts Receivable through the Bursars Office and to notify the employee of the overpayment. If the overpayment is on a grant account, Payroll will have to transfer the overdraft to a departmental state account and notify the department of this transfer. The A/R must be continually monitored to track repayment.
<i>the department</i>	Departmental accounts will not be credited for overpayments until the employee repays the overpayment. The overpayment remains on the account until that time. If an overpayment is not repaid by the end of the fiscal year (June 30), the department will not receive credit for any repayment the employee makes after the end of the fiscal year.

MISCELLANEOUS INFORMATION

1. **Partial Payment.** The Payroll Office will, in certain cases, establish a 60% cash partial payment for non-student employees whose paperwork has been delayed. Please be aware that the department must contact HRM first. HRM must verify all information before sending the employee to Payroll to establish the partial payment. On a more limited basis, a GA may be able to receive a partial payment pending verification from the Bursar's Office regarding any money due the University.

Please do not send an employee directly to Payroll without notifying Payroll first.

2. **Request for Duplicate W-2.** Employees can request W-2s for any year they were employed. For the protection of employee privacy, all requests for W-2s must be in **writing** by the **employee** using form AS387: Request for Duplicate Tax Information Forms. There is a \$10 charge for each year requested. Please note that beginning with calendar year 2001 W-2 forms for each employee are available on the employee's myLSU account.
3. **Request for Address Change.** Employees can update their address through myLSU or by emailing Payroll at payroll@lsu.edu.
4. **Graduate Assistant Nonresident Fees.** To ensure GAs are not billed for the non resident fee, appointment forms must be loaded before fee bills are printed. Each semester, the Graduate School informs departments of the final day for processing forms to ensure the fee exemption.
5. **I-9 Forms.** Every employee is required to complete an I-9 form. This form verifies the individual is eligible to work in the U.S. and must be completed within three business days of appointment date. Section 1 is completed and **signed** by the employee no later than the first day of employment. Section 2 is completed and **signed** by the employing department no later than the third day of employment. **Original** certifying documents must be **examined** by the department. Documents considered acceptable for employment certification are listed on the form. Please verify valid documents have been examined.

ISO will complete Section 2 of the I-9 form for international students.

6. **Retroactive Change in Source of Funds.** Employees must be charged to the account number (s) on which they are working. On occasion, it is necessary to process a retroactive personnel action form. A justification must be attached and should explain why this salary charge benefits the project to which the charge is being moved. Salaries cannot be transferred to another sponsored agreement solely to remove an overdraft, nor can salaries be transferred to a sponsored project to expend the remaining balance. If necessary, the Personnel Activity Report (PAR) must be re-certified. It is essential that the distribution of effort reported on the PAR and personnel form are consistent.

GA ADDITIONAL COMPENSATION

Add comp forms must be **loaded as soon as a GA is hired** in the department and **approved by The Graduate School**. Once the forms are routed to Payroll we will audit to determine whether to pay from the form or from timesheets. If timesheets are required, an hourly rate of pay should be included on the authorization form in the Reason section of the Header. Timesheets may be sent directly to Payroll but should be marked **across the top with Add Comp Attn: Add Comp Desk**

Please **do not** include the employee on handwritten **student** timesheets.

A voucher number is not necessary since we sometimes must hold a timesheet until the proper authorization form is received in our office.