



# UTAH VALLEY UNIVERSITY

## Policies and Procedures

<b>POLICY TITLE</b>	Payroll	<b>Policy Number</b>	202
<b>Section</b>	Financial Affairs and Development	<b>Approval Date</b>	September 27, 2023
<b>Subsection</b>	General Financial Policies	<b>Effective Date</b>	September 27, 2023
<b>Responsible Office</b>	Office of the Vice President of Finance and Auxiliary Services		

### 1.0 PURPOSE

1.1 This policy establishes guidelines for the University’s payroll administration and for paying employees in a manner compliant with federal and state regulations.

### 2.0 REFERENCES

- 2.1 *Employer’s Tax Guide*, I.R.S. Pub. No. 15
- 2.2 *Withholding Tax Guide*, Utah Pub. No 14
- 2.3 UVU Policy 210 *Independent Contractors*
- 2.4 UVU Policy 302 *Hiring of Staff and Student Employees*
- 2.5 UVU Policy 306 *Faculty Positions: Posting and Waiving of Posting*
- 2.6 UVU Policy 321 *Employment Classifications and Work Limits*
- 2.7 UVU Policy 325 *FLSA Compliance: Exempt/Nonexempt Classifications, Wages, and Work Hours*

### 3.0 DEFINITIONS

- 3.1 **Direct deposit:** The electronic transfer of funds from the financial institution of the University to the financial institution(s) designated by the employee.
- 3.2 **Employee:** An individual who is employed in an employment classification defined in UVU Policy 321 *Employment Classifications and Work Limits*.
- 3.3 **Form W-2:** A wage and tax statement required by law, prepared by the University, and issued to employees for the preparation of individual federal and state tax returns.



**3.4 Independent contractor:** An individual who satisfies the independent contractor classification criteria set forth in UVU Policy 210 *Independent Contractors*, or other legal entity performing work or services for the University.

**3.5 Pay procedures:** Includes but is not limited to paydays, pay cycles and periods, pay distribution methods, processes for reporting hours worked, and pay initiation.

**3.6 Tax withholdings:** A business employment tax obligation to deduct federal and state taxes derived from compensation paid to employees.

#### 4.0 POLICY

**4.1** In accordance with state and federal regulations and under the direction of President's Council, university pay procedures are established and maintained by Finance and Business Services. The University adopts pay procedures to facilitate regulatory compliance, cost-effectiveness, accuracy, and timely payment to employees.

**4.2** The Payroll Office is the sole source for wage and salary payments made by the University to its employees.

**4.3** Independent contractors are paid in accordance with UVU Policy 210 *Independent Contractors*.

#### 5.0 PROCEDURES

##### 5.1 Employee Pay

**5.1.1** To be eligible for pay as an employee, an individual must be hired through an official hiring process established by People and Culture. Individuals hired may not perform work for the University until the employing department receives notice from People and Culture authorizing the individual to work.

**5.1.2** The requesting department shall submit employee pay requests through official university processes and forms. The Payroll Department will not process pay requests until all required approvals have been received, and, when applicable, the employee has completed required new-hire paperwork.

**5.1.3** The University's Payroll Office conducts federal and state tax withholdings in accordance with federal and state tax regulations. Employee tax withholdings are deposited with the appropriate federal and state agencies as required by law. At the end of each tax year, the University issues Form W-2s, an accounting of taxes withheld and deposited on an employee's



behalf that tax year, to all current and past employees who received payroll earnings during that period.

## **5.2 Repayment of Advances and Overpayments**

**5.2.1** Department leaders and employees have the responsibility each payroll period to review payroll earnings and deductions and report any discrepancies to the Payroll Office immediately. The Payroll Office will verify all identified discrepancies before taking corrective adjustments.

**5.2.2** Underpayment of employee wages, salaries, and benefits will be promptly rectified with methods of payment available to the Payroll Office. Likewise, employees are expected to reimburse the University in a timely manner for overpayment of wages, salaries, and benefits.

**5.2.3** Pay received in advance of work performed is deemed as unearned. To the extent that all or part of an advance payment is not subsequently earned, the employee shall be obligated to repay the unearned portion of wages, salary, and benefits to the University.

**5.2.4** The University may use all legal means to recover overpaid wages, salaries, and benefits.

## **5.3 Direct Deposit**

**5.3.1** Direct deposit is the University's preferred method for issuing payroll payments to employees.

**5.3.2** The payment of salaries and wages shall be made through direct deposit to a US financial institution account or accounts of the employee's choosing. Employees are directed to enroll in direct deposit during new employee onboarding.

**5.3.3** Employees are responsible to maintain an active US financial institution account throughout their employment with the University and to provide immediate notification to the Payroll Office regarding any changes to an account on file for direct deposit.

**5.3.4** The University is not responsible for any loss due to inaccurate information provided by the employee or failure of the employee to confirm deposit of funds. Additionally, the University is not responsible for loss due to the action or inaction of the employee's financial institution(s).

## **5.4 Record Retention**

**5.4.1** The Payroll Office retains pay records in accordance with state and federal record retention laws.



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<b>POLICY HISTORY</b>		
<b>Date of Last Action</b>	<b>Action Taken</b>	<b>Authorizing Entity</b>
June 20, 2013	Policy approved.	UVU Board of Trustees
September 28, 2023	Revised policy approved.	UVU Board of Trustees
January 3, 2024	Non-substantive changes "Human Resources" to "People and Culture"	UVU Policy Office