

Pay Warrant Distribution

Implementation Date: 2/01/2011

Revised: 6/20/2017

PAY WARRANT DISTRIBUTION PROCEDURE

Purpose: To safeguard pay warrants from being distributed to unauthorized persons and to guard against misappropriation of funds.

Definition: The pay warrant distribution procedure includes payroll distribution for all employees, including students, overtime, and stipend pay warrants distributed on the 15th of each month, and the monthly master payroll.

I. Pre-Distribution

- A. It is recommended that each department have two active Department Designated Representatives (DDR), (a primary and back-up). Each DDR shall have an authorization form on file with Student Financial Services (SFS). If there is a change or an additional DDR assigned, a new DDR Authorization form must be submitted to SFS at least 24 hours prior to the next pay warrant distribution. (Attachment A)
- B. Personnel assigned to Payroll Services or staff authorized to prepare payroll transactions and/or certify attendance reports will not be authorized to receive and distribute pay warrants. (SUAM 3812.1)
- C. The pay warrants must be received and distributed by an office physically apart from Payroll Services. (SUAM 3811) Pay warrants will be received by SFS from the State Controller's Office (SCO).
- D. Pay warrants are grouped in the order in which they are received from the SCO which is in reporting unit number order. This number is used to identify a department within the university. For example, reporting unit number 044 would be department number 1044.
- E. SFS verifies the beginning and ending pay warrant number for all live (green) and advice (white) pay warrants for each delivery from the SCO.
- F. If a DDR is unavailable to pick up pay warrants on any payroll date, the back-up DDR will be responsible. If a back-up DDR is not already

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assigned, or a back-up DDR is not available, the primary DDR should notify SFS at least 24 hours in advance of a pay warrant distribution date.

II. Distribution

- A. **Master Payroll distributed at the end of the month:** The DDRs will pick up pay warrants at the Cashiers Office after 1:00PM each pay day. To ensure that the pay warrant will not be presented to the State Treasurer's Office prior to the issue date, pay warrants will not be available before 1:00PM (SAM 8580.2). Pay warrants must not be cashed until just before bank closing time on the day preceding the issue date on the face of the pay warrant. Any charges arising from an employee cashing his/her pay warrant before the issuance date will be the responsibility of that employee.
- B. **Payroll distributed at the 15th of each month:** The DDRs will pick up pay warrants at the Cashiers Office after 10:00AM, and should immediately distribute.
- C. The DDR must present a photo identification card to pick up the pay warrants.
- D. To minimize the possibility of fraud, it is essential that there be a division of duties between those persons responsible for processing payroll transactions, payroll certification, and/or reconciliation, and those who receive and distribute warrants (SUAM 3812.1).
- E. The DDR will pick up and sign receipt for the pay warrants for the department. The DDR does not have to ensure that there is a warrant for each employee in his/her department. Any questions regarding the actual pay warrants received should be directed to Payroll Services.
- F. The DDR will ensure that all live pay warrants (green) in their possession are to be kept locked and secured at all times, such as a locked drawer or cabinet. Only the DDR will have access to that locked drawer or cabinet.
- G. Pay warrants must be handed directly to each employee on payday. The DDR will have the employee sign receipt of the pay warrant at the time of pickup. If an employee is not present, the DDR will maintain pay warrant distribution instructions for each individual employee in their department

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containing the preferred method of distribution and handling of their pay warrant. Pay warrant distribution instructions should be distributed per the written instructions previously submitted by the individual employee. (Attachment B)

- H. Generally, pay warrants are not to be mailed for employee convenience. However, they may be mailed, with prior approval, in cases such as illness, travel, or training. (SUAM 3812)
- I. After 5 days if the DDR is unable to locate an employee within their reporting unit the live pay warrant (green) shall be returned to SFS. A written record of all undelivered pay warrants will be maintained by SFS and a copy given to Payroll Services. (SAM 8580.5)
- J. Pay warrants that are direct deposit advices (white) will not be returned to SFS and must be distributed to individual employees by the DDR.
- K. The DDR will be responsible for keeping a record that houses each month's pay warrant receipt signatures or method of distribution, i.e., mailed, or placed in an internal mailbox.
- L. If a pay warrant is found to be missing, the department will notify SFS who will then check to see if they are in possession of the pay warrant. If the pay warrant still cannot be found, SFS will notify Payroll Services and Payroll Services will contact the State Controller's Office.
- M. Any lost/misplaced pay warrants can only be replaced by the State Controller's Office. This process takes between 2-6 weeks.
- N. In cases where a department DDR is unavailable to pick up and distribute the pay warrants, employees may pick up their individual warrant after 3:00pm on master payroll dates, and after 1:00pm for paydays that fall on the 15th of the month. Employees who need to pick up their own pay warrant must present a photo identification card at the Cashiers Office and should know their reporting unit number.
- O. When pay warrant distribution falls on a holiday the pay warrants may be picked up by employees at a pre-determined location and time.