

Payroll Rules

Subject Personnel

Web Link https://www.montana.edu/policy/hr_policies/payroll_rules.html

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100.00 Introduction and Purpose

Montana State University has a legal obligation to pay employees for services performed during the pay period on the established payday. This policy establishes the general rules that govern the payment of compensation for employees at Montana State University.

200.00 Payroll Periods

Each pay period consists of two consecutive weeks beginning on Saturday at 12:00 am and ending at 11:59 pm the following Friday. Pay is issued eight working days after a pay period ends, generally every other Wednesday. Employees will be paid every other Wednesday unless payday falls on a holiday, in which case payment is made on the last working day prior to the holiday. Pay is issued on a biweekly basis over 26 pays or 20 pays dependent upon employment category as determined by Human Resources.

300.00 Individual Time and Attendance Reporting

The university requires employees to record hours in a manner consistent with the requirements of the Fair Labor Standards Act (FLSA). Accurate and timely reporting of an employee's time and attendance is a direct responsibility of both the employee and the employee's immediate supervisor.

a. Employee Responsibilities

Employees will comply with university and departmental procedures regarding submittal of time and attendance records, approval for overtime and non-exempt compensatory time (comp time), submittal of leave requests, and call-in procedures in the event an employee is not able to report for work at the start of a shift.

Employees will report their hours accurately and in a timely manner.

Any employee who falsely reports time worked or leave used may be subject to disciplinary action, up to and including termination of employment.

Employees will be required to repay the university for any wages received for hours not worked.

b. Supervisor Responsibilities

Supervisors will follow MSU policies and applicable [collective bargaining agreements](#) regarding hours worked, meal periods, overtime pay, compensatory time,

holiday pay, and time reporting. Supervisors may seek the assistance of University Human Resources to identify and explain any policies.

The supervisor will inform employees of departmental procedures for time and attendance reporting, leave requests, requests to work overtime or nonexempt compensatory time, and call-in procedures.

The supervisor will review employees' timesheets no less frequently than every Monday following the end of a pay period, to assure all hours reported reflect the actual time employees worked or used leave. Discrepancies will be discussed with the employee, if possible, and corrected if necessary, prior to the supervisor approving the timesheet. Supervisors may correct, or require the correction of, errors in reporting upon determining the time sheet is incorrect.

400.00 FY/AY Conversions

Many employment contracts are Academic Year (AY) or Fiscal Year (FY). Conversions of FTE and salaries are made when an employee changes from one type of contract to another. The calculations shown below are used in these circumstances. When a position is changed from an administrative (e.g., Department Head, Dean) to a faculty appointment, and the contract term changes from FY to AY, any administrative component or additional compensation is subtracted from the salary rate.

To convert salaries:

-To AY: Full time FY salary rate x 0.82

-To FY: Full time AY salary rate x 1.22

To convert FTE's:

-To AY: FY FTE x 0.82

-To FY: AY FTE x 1.22

If the above formula is not used, the use of an alternative method must be approved, in advance, by the appropriate Vice President. Employees converting from FY to AY are eligible for an annual leave lump sum payout if the employee requests it. If an employee chooses to retain balances, the lump sum payout is deferred until separation from employment.

500.00 Final Wages Upon Termination For Cause or Layoff

- a. When an employee's employment is terminated for cause or through layoff, the university will pay the employee's final wages on the next regularly occurring pay day for the pay period that includes the last day the employee worked or fifteen (15) days from the date of separation from employment, whichever occurs first. See, [Section 39-3-205 \(2\), MCA](#).
- b. When an employee is discharged by reason of an allegation of theft of property or funds connected to the employee's work, the university may withhold from the employee's final paycheck an amount sufficient to cover the value of the theft as authorized in [Section 39-3-205 \(3\), MCA](#).

600.00 Decedent's Warrants

- a. University employees may designate a person who, notwithstanding any other provision of law, will receive the employee's pay, benefits, and/or travel allowances due at the time of the employee's death by submission of the [Legal Designation of Person Authorized to Receive Decedent's Warrants](#) see, [Section 2-18-412, MCA](#). Anyone, including a minor, may be designated as the person to receive a decedent's warrant.
- b. The employee may change the designation by submitting a new designation to University Human Resources using this [Legal Designation of Person Authorized to Receive Decedent's Warrants](#).
- c. Warrants for money due the employee or the estate will be reissued in the name of the designated person and will be delivered to that person without recourse to estate administration procedures if the properly completed form is on file with the employing agency at the time of the employee's death.
- d. Only one warrant will be issued by the university for each warrant the decedent would have received.
- e. Upon the death of an employee, University Human Resources will take the steps necessary to issue the payments to the person designated.
- f. When an employee paid through electronic fund transfer dies, the last regularly occurring pay warrant will be electronically deposited into the employee's checking or

savings account. The final remittance for any unpaid wages, benefits, and/or travel claims will be generated as a warrant and delivered to the designee.

g. Refund of retirement contributions or payment of death benefits are not covered by the designation of decedent's warrant.

700.00 Additional Payroll Deductions

The university may establish payroll deduction programs for:

- a. purchasing insurance;
- b. depositing money into a financial institution or investment program;
- c. contributions to university approved charitable organizations;
- d. payment for university provided services, such as gym memberships or parking;
- e. payment of union dues and union pensions;
- f. renting of Montana State University controlled property; or
- g. any other voluntary payroll deduction program established by the university.

See *e.g.*, [University Sponsored Charitable Giving](#).