

SUBSTITUTE PAYCHECKS

Authority:	Chancellor
History:	Effective April 1, 1992; Reformatted February 1, 2007; supersedes Former Policy No.HR 3.20; Revised June 1, 2008
Source of Authority:	UNC Policy 300.3.1(R)
Related Links:	Office of State Personnel Manual
Responsible Office:	Human Resources; Controller

I. Purpose

To establish uniform policy for issuing substitute paychecks for employees of UNC Wilmington to ensure timely payment for work performed.

II. Scope

Applies to all employees of the university regardless of status (EPA, faculty, SPA, or student) or type of appointment (full-time, part-time, or temporary)

III. Policy

A. General Statement

UNC Wilmington is committed to providing timely and accurate payment to university employees for work performed. Payment to employees will not be withheld due to administrative oversight or processing delays. Substitute paychecks are not issued for changes in classification level or performance increases which may have been delayed. Substitute paychecks, when issued, represents payment for work performed and not considered salary advances.

B. Substitute paychecks will be issued when:

1. A new permanent employee does not receive their first paycheck as follows:
 - a. Start date = 1st - 15th Paid on end of start month payroll
 - b. Start date = 16th – 25th Paid on following mid-month payroll
 - c. Start date = 26th – 31st Paid on following end of month payroll
2. A current employee is not paid in a timely manner for a material change in status (such as increases in FTE or promotions exceeding 10% of salary)

3. A current employee is inadvertently omitted from a regular payroll.
4. A temporary SPA employee or a student worker is not paid as agreed upon on the mid-month payroll following the month the work was performed, provided the start date is prior to the 26th of the month; or
5. A temporary EPA, faculty, or flat-rate graduate student is not paid on the end of month payroll due to administrative oversight provided the employee worked at least five (5) days or the gross amount owed is \$100.00 or greater.

C. Department Responsible for Timely Processing

Departments are responsible for following procedures to ensure employees are paid according to established schedules. The process of issuing substitute payments is costly for the university and should not be used as an alternative for processing pay. The university reserves the right to transfer processing costs to the department.

D. Amount of Substitute Paychecks

Substitute paychecks will be drawn for the approximate amount of the employee's net pay after taxes and mandatory retirement deductions, as indicated below:

1. Permanent employees: 60% of gross salary payable
2. Temporary non-student employees: 80% of gross salary payable
3. Graduate and undergraduate student employees: 90% of gross salary payable

E. Repayment of substitute paychecks

Substitute paychecks are drawn against university funds pending the regular payment of wages. Consequently, the amount of a substitute paycheck must be repaid as soon as wages are paid through the next regular payroll. The substitute paycheck is repaid through automatic payroll deduction from the next regular paycheck.

IV. Procedures

A. Actions Initiated by Human Resources

Human Resources will initiate the substitute pay action for permanent employees who are not paid on their first scheduled payday. The employee's immediate supervisor will be notified in advance of the payday that the employee will receive a substitute paycheck instead of a regular paycheck. The employee's immediate supervisor is responsible for notifying the employee when pay will be made available to the employee.

B. Requests Initiated by Departments

If an employee expects to be paid on a given payday and does not receive a regular paycheck, the department should contact the Salary Administration Coordinator in Human Resources to ascertain the employee's payroll status and request a substitute paycheck, if appropriate. Documentation authorizing the pay must be provided.

- C. Human Resources prepares all actions for substitute paychecks for permanent employees, temporary EPA and faculty, and flat rate graduate students and forwards them to the Payroll department with a copy of the NBAJOBS form in the Banner HR system.

The Office of Career Services prepares all actions for substitute paychecks for undergraduate students and hourly graduate students and forwards them to the Payroll Department with a copy of the NBAJOBS form in the Banner HR System.

- D. The Payroll Department processes all requests for substitute checks conforming to this policy. Exceptions to the policy must be approved by Human Resources and the Controller.
- E. Funds paid through the substitute check process will be available to the employee via direct deposit no later than five (5) business days of receipt of the action from Human Resources or Career Services.