



Policy Name:	University Payroll Policy
Policy Number:	FAST-206
Revision Date:	April 2018
Policies Superseded:	1280; HREO-400; FINA 800
Policy Management Area(s):	Finance and Administration

SUMMARY:

This document sets forth the Coastal Carolina University policy for payroll.

POLICY:

I. DEFINITIONS

- A. Biweekly pay cycle – A payroll cycle with 26 installments paid every other Friday.
- B. Exempt employees – An employee who is not eligible for overtime pay based on FLSA regulations.
- C. Fair Standards Labor Act (FLSA) - A federal law which establishes minimum wage, overtime pay eligibility, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in federal, state, and local governments.
- D. Non-exempt employees – An employee who is entitled to overtime pay based on FLSA regulations.
- E. Nonresident Aliens - A classification assigned to a non-U.S. citizen, or foreign national, who does not hold green card status or the substantial presence test.
- F. Semi-monthly pay cycle – A payroll cycle with 24 installments paid on the 15th and the last day of each month. If the 15th or the last day of the month fall on a weekend or a University holiday, then the disbursement date is normally the Friday prior to the weekend or the last University workday prior to the holiday.

II. PAYROLL FREQUENCY

The Payroll Office publishes and distributes a schedule of payroll disbursement dates located at www.coastal.edu/payroll/payschedules. The schedule includes deadlines for time/leave entry cut-offs as well as deadlines for submitting paperwork to the Office of Human Resources and Equal Opportunity (HREO) and to the Payroll Office.

A. Salaried Employees

Salaried employees are normally paid on the semi-monthly pay cycle.

B. Faculty

1. Faculty whose base appointments are nine months are normally paid on the semi-monthly pay cycle. The first installment is September 15th and the last installment is made on August 31st of the following year.
2. Faculty who teach summer school are normally paid on a semi-monthly pay cycle over the term of the appointment.

C. Hourly Employees

Hourly employees (student and temporary employees) are paid at an hourly rate on a bi-weekly pay cycle.

III. PAYROLL AUTHORIZATIONS

The Payroll Office processes payments to employees based on documentation received from HREO, which was previously authorized by the hiring department and President or designee. All employees must furnish a copy of a social security card in order to work as a University employee. Additionally, Section One of the I-9 Form must be completed by the employee on or before the first day of work.

A. Direct Deposit

Employees are required to receive their payroll disbursements by direct deposit. To setup direct deposit employees must complete a Direct Deposit Authorization Form, found on the University Forms page (<https://www.coastal.edu/forms/>). Along with the completed form an employee must submit;

1. voided check; or
2. deposit slip; or
3. letter signed letter from their bank including employee name, account number, and bank routing number.

B. Time/Leave Entry

All employees are responsible for entering their time/leave in an accurate manner on a daily basis. Time/leave entries must be submitted to the Payroll Office at the end of each pay period in accordance with cut-offs provided on the pay schedules. Failure to complete and submit time/leave for a particular week or weeks may result in inaccurate or incomplete payments to employees. Time/leave entry corrections are to be reported

to Payroll and will be corrected on the following pay date subsequent to the pay period in which the error was discovered.

IV. ITEMS WITHHELD

The University requires or allows certain items to be withheld from employee payroll payments. The University will also comply with deductions mandated by levy and/or court order. These items include, but are not limited to:

A. Mandatory

1. Federal Income Tax

Federal income taxes will be withheld on the basis of W-4 forms filed with the Payroll Office, with the exception of some cases involving non-resident aliens. In the event no W-4 form is completed by an individual employee, federal and state taxes will be withheld on a mandatory basis of single with zero exemptions. The W-4 form can be completed in the Payroll Office. In the event an employee elects to be exempt from federal and state withholdings on their W-4, the exemption is in effect for the calendar year in which it was submitted to Payroll and must be renewed (prior to February 15th) in each succeeding year.

2. South Carolina Income Tax

Generally, the same guidelines for federal income tax withholdings are applicable to state income tax withholdings. However, the State of South Carolina will not allow an employee to claim exemptions for state tax purposes which exceed the number of exemptions claimed for federal tax purposes.

3. FICA Taxes

FICA tax is comprised of two parts: Social Security and Medicare. Social Security is withheld at a rate of 6.20% up to the established taxable limit. The taxable base limit for social security for the current calendar year may be found on the social security website. Medicare is withheld at a rate of 1.45% on all taxable wages. These taxes must be withheld from wages paid to all employees with the exception of wages paid to:

1. Students employed while enrolled in classes at Coastal Carolina University, as described in [STUD- 338 Student FICA Tax Exemption](#), and
2. Certain non-resident aliens.

4. Non-Resident Alien Withholdings

A non-resident alien is temporarily present in the United States through the issuance of a visa and may be subject to tax withholdings in addition to the regular tax withholding rates. The Payroll Office will obtain the needed information to ascertain the individual's tax status and will complete all necessary forms to support the tax status. Tax liability may be contingent upon the existence of a treaty between the

individual's country of tax residency and the United States. The Payroll Office will ensure that the appropriate tax is withheld.

5. Federal and State Tax Liens

In cases where either the Internal Revenue Service or the South Carolina Tax Commission has levied against an employee's wages, the Payroll Office is required to withhold in accordance with terms set forth in the levy document until otherwise notified by the agency issuing the levy. The IRS and the South Carolina Tax Commission are obligated to furnish the employee a copy of the levy.

6. Family Court Orders

If the University receives an official court order stipulating that certain deductions be made from an employee's pay, such deductions will be taken until the order is rescinded. Remittances will be forwarded to the court.

B. Optional

1. South Carolina Retirement System, Police Officers Retirement System, or Optional Retirement Plan

Retirement contributions are withheld from wages paid to a Coastal Carolina University employee unless:

- a. The wage is a bonus.
- b. The wage is for an annual leave payout for an employee enrolled after July 1, 2012.
- c. The employee is a student.
- d. The employee is in a non-covered position and elects not to become a member.

2. Supplemental Retirement Plans

Employees may elect deferrals to a qualified supplemental retirement plan separate from the South Carolina Retirement Plans. These plans can be found on the [Payroll Office's website](#).

3. Voluntary Deductions

Employees may opt to have voluntary deductions taken from their check. Please contact the Payroll Office for information regarding these deductions.

Voluntary deductions for amounts less than \$100 will be deducted over four pay periods.