

## **SERENITY BEHAVIORAL HEALTH SYSTEMS**

**SUBJECT:** DISTRIBUTION OF PAYCHECKS  
**POLICY NUMBER:** HR-4.05  
**EFFECTIVE DATE:** November 2001  
**SUPERSEDES:** N/A  
**LAST REVISION DATE:** January 2009

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### **POLICY:**

- I. It is the policy of Serenity Behavioral Health Systems (SBHS) that paychecks may be distributed at the beginning of business on payday or the last workday of the pay period if a payday falls on a weekend or holiday.
- II. The record of direct deposit will be distributed at the same time as paychecks.

### **DIRECT DEPOSIT:**

- I. All salaried employees who have accrued 40 hours of annual leave are eligible for direct deposit of paychecks into their bank accounts.
- II. Employees who go on leave without pay due to using all of their annual leave will lose the benefit of direct deposit until they have accumulated 40 hours of annual leave and maintained that balance for 3 months.
- III. To apply for direct deposit, the employee must complete the direct deposit form #416 and attach a voided check from the account they wish to deposit the monies into and submit to Human Resources. Direct deposit will be in effect the second payroll period after the request.

### **HAND-DRAWN PAYCHECKS:**

Hand-drawn paychecks may not be processed for leave without pay actions or employment actions when personnel action forms are submitted after the pay period cut-off date. Appropriate pay may be reflected in the following pay period.

### **LEAVE WITHOUT PAY:**

Situations may arise when employees are placed on leave without pay due to authorized or unauthorized absences in the latter part of the pay period. Since processing deadlines have to be set well in advance of payday, paychecks for employees in these situations will reflect more pay than the employee should receive. In these cases, the supervisor should review each circumstance carefully with the SBHS Human Resources Department and may consider the following options:

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1. If the employee is absent with approval for a short period of time two (2) hours or less and the absence/tardiness would normally be charged as authorized leave without pay, the supervisor may permit the employee to make up the amount of time absent within the same FLSA work period provided that FLSA overtime is not accrued and other FLSA provisions are not violated. The supervisor may release the paycheck to the employee on payday. No leave without pay adjustment would be necessary.
2. If the employee is absent without approval for a short period of time two (2) hours or less and the absence/tardiness is to be charged as unauthorized leave without pay, the employee should not be allowed to make up the amount of time absent. The supervisor may release the paycheck to the employee on payday. The following paycheck should be adjusted to reflect the unauthorized leave without pay and recover the overpayment.
3. If the employee has been absent from work for more than two (2) hours, the supervisor should carefully evaluate the employee's status as follows:
  - a. If the employee is in a leave without pay status but is expected to return within the following pay period the paycheck should be held. The paycheck may be released when the employee has been in pay status an equivalent amount of time to cover the leave without pay absence. The following paycheck should be adjusted to reflect the leave without pay and recover the overpayment.
  - b. If the employee is expected to be in the leave without pay status beyond the following pay period or no determination can be made regarding the employee's return to work, the paycheck should be returned to the Human Resource Department along with a personnel action form which reflects the actual amount of time the employee should be paid.
4. The paycheck for an employee who has been in leave without pay status and separates after the cut-off date for a pay period should be returned to the SBHS Human Resource Department along with a personnel action form which reflects the actual amount of time the employee should be paid.

**TERMINAL LEAVE PAY:**

Payment for terminal leave is normally issued the pay period following separation.

**CHANGES TO PAYCHECKS:**

- I. When changes to paychecks are necessary, a personnel action form should be prepared to reflect the accurate amount of time the employee should be paid.
- II. The incorrect paycheck and personnel action form should be forwarded to the SBHS Human Resource Department.
- III. A corrected paycheck will be issued as soon as practicable.

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- IV. Arrangements should be made with the Human Resource/ Payroll Department regarding picking up or mailing the corrected paycheck.

**APPROVAL SECTION:**

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Chief Executive Officer

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Date

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