



## POLICY & PROCEDURE DOCUMENT

NUMBER: 3.4012

DIVISION: Finance & Administration

TITLE: Policy for Form 16 - Special Payroll Authorization

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Policy for: Form 16 (Special Payroll Authorization)

Authorized by: K. Ann Mead, VP for Finance and Administration

Issued by: Office of the CFO

### I. Purpose and Scope

The Policy for Special Payroll Authorizations (Form 16) defines policies and procedures by which WKU employees may be paid one-time payments in addition to base salary. Recurring stipends may not be paid in this manner and should be initiated through the EPAF process. The e-Signature Form 16 may be accessed through the following link:

<https://asaweb.wku.edu/php/prod/wkuforms/source/WKUFormsCreateInst.php?form=FORM16>

### II. Policy

#### A. DEFINITIONS

1. "Pay Type" indicates the payroll on which a particular employee is processed. Currently, there are 4 pay types that can be paid by a Form 16. Only one pay type may be used per Form 16
  - a. **MN** – Monthly payroll for Full-time Faculty and Full-time Exempt staff
  - b. **SM** - Semi-Monthly – payroll for full-time semi-monthly staff
  - c. **MP** – Monthly Part-time - Monthly payroll for part-time occasional payroll. Graduate Assistants and Part-time faculty are included on this payroll.
  - d. **BW** – Bi-weekly payroll for Hourly Full-time and Part-time employees.

2. "Period Ending" indicates the end date of the payroll on which the payment is being requested. If the indicated payroll has already been processed, the requested payment will be made on the next payroll cycle for that pay type.
3. "Index" represents the index number the Form 16 payment is to be charged against. If the index is not valid, an error message will be displayed when the Form 16 is validated.
4. "Payee's WKU ID": WKU assigned number that is used in place of the social security number. The Form 16 will only accept WKU ID numbers.
5. "Earnings": Dollar amount to be paid from the Form 16.
6. "Rate": Rate used for payment. For units, enter the amount as a one-time pay, or an amount per unit. For OT and OTS, enter the hourly rate for the employee as a flat amount or an overtime amount.
7. "Hrs/Unit": The number of hours worked or the number of units worked. When the form is validated, the gross amount will calculate in the Gross Amt. column.
8. "Reason for Payment": Enter a description of the work performed. The Form will require an entry in the Reason for Payment field. Please keep the description brief, but thorough.

### III. Procedures

#### A. General

1. The Form 16 is an "e-Signature" form accessed through the link above. The preparer must enter his/her net ID and password to proceed to the actual form. Once completed, the Form 16 must be validated in order to determine if it is complete. Incomplete blocks will be highlighted in red. Once all errors have been corrected, the Form 16 should be routed to the next approver through the e-Signature process.
2. A list of required approvals will display on the validated form based on the index or grant number entered. Payroll cannot process the Form 16 unless all approvals are documented through the e-Signature routing activity.
3. Deadlines are used to determine the date payments are issued. In order for the employee to receive the payment by a specified date, the following deadlines must be met. Any Form 16s received after the indicated date will be processed on the next payroll cycle for that pay type.

#### **PAY TYPE**

<b>MN</b>	Monthly Full-Time	Approved Form 16 due the 10 <sup>th</sup> of Month
<b>MP</b>	Monthly Part-Time	Approved Form 16 due the 10 <sup>th</sup> of Month
<b>SM</b>	Semi-monthly Full-Time	Approved Form 16 due 1 <sup>st</sup> or 16 <sup>th</sup> of Month
<b>BW</b>	Bi-weekly Full- or Part-time	Follow Bi-weekly Recap Schedule
<b>ST</b>	Student	Students are NOT paid from a Form 16

4. **Earnings:** Select the earnings code that is applicable. The table below shows the account code that each earnings code will be charged against. This is to help maintain consistency in the usage of account codes.

**EARNINGS TYPE**

<b>AWD</b>	Awards	Recognition of outstanding performance (used only for official university awards)	61122	Wages-Stipends
<b>CXQ</b>	Cell Equipment Allowance	Payment for cell phone equipment allowance	61181	Wages-Cell Equipment Allowance
<b>CON</b>	Consulting	Payment for expert advice or information	61160	Wages-Consulting
<b>CPT</b>	Camp Payment	Service in a WKU affiliated camp	61118	Wages-Fac & Staff Supplemental
<b>HON</b>	Honorarium	Services for which fees are not legally required	61118	Wages-Fac & Staff Supplemental
<b>IST</b>	Independent Studies	Correspondence Studies	61121	Wages-Part Time Faculty
<b>OPT</b>	Other Part-Time	Other part time earnings	61150	Wages-Occasional
<b>OT</b>	Overtime Pay (+40)	Hours worked over 40 per week paid at time and ½ rate	61130	Wages-overtime
<b>OTS</b>	Overtime Straight Time	Hours worked between 37.5 and 40 per week	61130	Wages-overtime
<b>OVL</b>	Overload	Additional course load for full-time faculty	61122	Wages-stipends
<b>PAR</b>	Participant Support	Grants only. Please contact Grant Accounting for additional information	61124	Wages-Participant Support
<b>SUP</b>	Supplemental	One-time payment for additional services beyond normal scope of work	61118	Wages-Fac & Staff Supplemental
<b>SUR</b>	Summer Grant Pay	One-time payment for summer grant effort	61112	Wages-Faculty Summer/Winter

5. Form 16 may **not** be used for student employees.
6. Holidays and Fiscal Year End - during fiscal year end (June) and holiday periods (November and December) payroll deadlines are moved up in order to meet the early payroll schedules. If you have questions regarding any applicable deadlines, please contact the Payroll department.

#### **IV. Related Policies**

#### **V. Reason for Revision**

**January 1, 2013**

Policy update to redefine allowable earnings payable by Form 16 – Special Payroll Authorization and to reflect change to e-Signature approval process for Form 16.