



GAO Technical Bulletin

Arizona Department of Administration ♦ General Accounting Office

Subject:	<i>Prioritization of Requests for Manual Payroll Warrants</i>	Issued:	03/08/05
Manual Section(s):	N/A	Effective:	03/08/05
Supersede(s):	GAO Technical Bulletin 00-4	Page:	1 of 11

TO: Technical Bulletin Administrators Payroll Managers Human Resources Managers All Agencies	FROM: D. Clark Partridge State Comptroller
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AUTHORITY

29 CFR 778.106	Time of payment
A.R.S. § 23-355	Action by employee to recover wages; amount of recovery
A.R.S. § 23-351	Designation of paydays for employees; payment; exceptions; violation; classification
A.R.S. § 23-353	Payment of wages of discharged employee; violation; classification
A.R.S. § 23-615	Employment
A.R.S. § 41-761	Personnel administration
A.R.S. § 41-763	Powers and duties of the director relating to personnel
S.A.A.M. III-C-13	Payroll System; Handwritten Pay Warrant Request
AAC R-2-403	Personnel Administration

DEFINITIONS

Approver: The individual(s) designated by the agency head on Form GAO-3 to have signature authority for handwrites (code 201) or general HRIS signature authority (code 200).

Central Payroll: A unit of the GAO primarily occupied with matters relating to the statewide payroll.

Compute day: The day upon which the calculation of regular payroll warrants occurs, currently designated as every other Tuesday following the pay period end date and preceding the Friday pay date.

Employee Identification Number (EIN): A unique number assigned to each employee in the HRIS system.

GAO: The General Accounting Office, a section within the Financial Services Division of the Arizona Department of Administration.

HRIS: Human Resource Information Solution. The statewide HR, benefits, and payroll system implemented on December 29, 2003.

Subject: ***Prioritization of Requests for
Manual Payroll Warrants***

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Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 2 of 11

Form GAO-3: Signature Authorization Form.

Form GAO-99A: Request to Review and Process Manual Warrants.

Form GAO-36A: Affidavit for Collection of Compensation Due Deceased Spouse (less than \$5,000).

Form GAO-36B: Affidavit for Collection of Compensation Due Decedent (less than \$50,000).

Form GAO-36C: Affidavit of Personal Representative of the Estate.

HRIS Form XR35.2: The on-line form used to enter the detailed time record information for the current regular pay cycle.

HRIS Form ZR80.1: The on-line form used to enter manual payroll warrant data into the HRIS.

HRIS Form ZR131: The program used to calculate retroactive payments for an employee.

HRMS: The Human Resources Management System utilized by the State prior to the HRIS implementation.

Manual payroll warrant: A payroll warrant produced outside of the normal payroll process in response to a special request, commonly known as a "handwrite."

Pay Code: A code identified in the HRIS to designate the type of earnings an employee will be paid, such as regular pay, overtime pay, sick pay, holiday pay, etc.

Pay period end (PPE): Each pay period ends every other Friday at midnight. A schedule of each pay period begin and end dates are published annually by the GAO.

Preparer: The employee of a State agency that prepares the Form GAO-99A.

Requester: The State agency that completes the Form GAO-99A requesting a manual payroll warrant, or a representative of that State agency as identified on Form GAO-3.

Retroactive pay: Sometimes termed "retro pay," this payment type is used to make retroactive adjustments to prior pay periods that were processed incorrectly due to a pay increase, a pay decrease, or other adjustments.

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Manual Payroll Warrants***

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 3 of 11

POLICY & PROCEDURES

To inform State agencies of the considerations affecting the scheduling of manual payroll warrants, to minimize inconvenience to State employees, and to limit the State's exposure to penalties, the GAO will apply the following procedures to the production of manual payroll warrants:

1. The GAO has been delegated the authority to determine which, if any, manual payroll warrant requests are honored on a given day. In general, if a request for a manual payroll warrant is received by Central Payroll and the correct data, as prescribed in the policies of this technical bulletin, is entered in the HRIS Form ZR80.1 by 2:00 PM, the warrant will be available for pickup the next business day after 9:00 AM. Manual payroll warrants will NOT be generated on a compute day, except for the very rare situations which may have legal ramifications, as identified by the GAO (generally, circumstances involving dismissal of an employee and requiring that full payment be made within three business days after termination). In such cases, the request must be received by Central Payroll and the correct data must be entered into the HRIS Form ZR80.1 by 10:00 AM of the compute day.
2. All requests for manual payroll warrants must be submitted to the GAO on Form GAO-99A. This form contains the information required by the HRIS and is available for download at <http://www.gao.state.az.us/onlineforms/>. The new electronic format is designed to be more user friendly and more efficient. Multiple requests can be submitted on one form. E-mail is the preferred method of submission. The agency should e-mail the completed Form GAO-99A to the GAO at hri.manual.warrant@azdoa.gov. Original documentation should be retained by the agency unless specifically requested by the GAO. For those agencies that do not have access to e-mail, fax copies are also acceptable but must be followed by the original signed Form GAO-99A. The agency should retain a copy of the Form GAO-99A and any supporting documents. Regardless of the method of submission (e-mail or fax), the agency must retain all documentation in accordance with record retention requirements.
3. Generally, the electronic version of Form GAO-99A along with the information entered into the HRIS Form ZR80.1 are sufficient for the manual payroll warrant request to be reviewed by the GAO. However, in some situations, additional documentation may be requested. For example, if the manual payroll warrant request is for:
 - A court settlement – a copy of the court order indicating the payee, amount of payment, reference to deductions and the signature page must also be delivered to the GAO (or sent via fax).
 - A death benefit – a copy of completed Form GAO-36A, GAO-36B or GAO-36C (depending upon the situation) must be provided to the GAO. If you are submitting Form GAO-36A, a certified copy of the death certificate must also be submitted.

Subject: ***Prioritization of Requests for
Manual Payroll Warrants***

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 4 of 11

- Other unusual situations (as determined by the GAO) – a letter of explanation signed by the agency head must be sent to the GAO.
4. At the discretion of the GAO, the production of manual payroll warrants for gross pay of less than one hundred dollars (\$100) will usually be deferred until the next regular payroll process.
 5. In general, manual payroll warrants will be processed as quickly as possible in the following order:
 - a. Manual payroll warrants for employees who have been dismissed since having received their last regular payroll warrant.
 - b. Manual payroll warrants for active employees who worked during the preceding pay period but whose payment was not produced as part of the normal payroll process.
 - c. Manual payroll warrants for a situation in which an active employee was paid less than the proper amount. Failure to pay an overtime premium is not a justifiable reason for a manual payroll warrant. Overtime premiums earned but not paid during the preceding pay period will be paid during the next regular payroll process.
 - d. Manual payroll warrants for retroactive payment of donated leave of which the payee is the recipient.
 - e. Manual payroll warrants for situations not specifically identified above. Contact GAO Central Payroll with any questions.
 6. A manual payroll warrant entered by the agency into the HRIS Form ZR80.1 may be deleted by the GAO if the request is invalid, inappropriate, incomplete, or if the Form GAO-99A is not received by Central Payroll. The guidelines to determine whether a manual warrant will be deleted are listed below. The affected agency will be notified via e-mail or telephone of the deletion.

GUIDELINES FOR DELETION OF MANUAL WARRANTS FROM HRIS

To ensure the manual payroll warrants are processed in a timely manner, please review the guidelines and information entered into the HRIS and also review Form GAO-99A prior to submitting to the GAO. The following are common reasons and supporting explanations as to why manual payroll warrants may be deleted from the HRIS after entry by the agency.

1. The reason for the manual payroll warrant has not been provided or is not detailed enough on the Form GAO-99A.

Subject: ***Prioritization of Requests for
Manual Payroll Warrants***

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 5 of 11

EXPLANATION: The reason type must be selected from the drop-down listing on the Form GAO-99A and detail provided in the comment section for each manual warrant request. For example, when entering a manual payroll warrant into the HRIS to replace a voided regular or manual payroll warrant, please provide the voided warrant number in the comment section of the Form GAO-99A.

2. The original voided warrant was not submitted to the GAO with Form GAO-99A.

EXPLANATION: To process a replacement of a regular or manual payroll warrant, the GAO must receive the original voided warrant before a replacement manual payment is processed, otherwise the manual payroll warrant will be deleted from the HRIS.

3. The gross amount of the manual payroll warrant is less than \$100.

EXPLANATION: Except in the case of a final payment for a dismissed employee, a manual payroll warrant will generally not be generated for gross payroll amounts less than \$100. These small dollar payments should be paid in the next pay period.

4. Funds from a direct deposit reversal have not been received from the employee's financial institution.

EXPLANATION: In order to replace a direct deposit reversal with a manual payroll warrant, the GAO must first verify that the funds have been recovered from the financial institution. Please do not enter a manual payroll warrant for a direct deposit replacement into the HRIS until the GAO has notified your agency that the funds have been recovered, otherwise the manual payroll warrant will be deleted.

5. The completed Form GAO-99A was not e-mailed or faxed to the GAO in a timely manner.

EXPLANATION: Form GAO-99A must be submitted to the GAO as early as possible: no later than 2:00 PM on a non-compute day (or by 10:00 AM on a compute day, if an emergency situation exists). If Form GAO-99A is not received timely by the GAO, the manual payroll warrant cannot be processed and will be deleted from the HRIS.

6. The number of hours has not been entered on the time record when using an "Hours Only" Pay Code.

EXPLANATION: Most of the Pay Codes used in the HRIS track the number of hours for the affected date of the transaction (e.g., Annual Leave payout, Regular Pay, Sick Leave Taken, etc.). For example, if you are using Pay Code 301, you must key in the number of leave hours to be paid out and should not key in a calculated rate (see example 1 on page 9 of this technical bulletin).

Subject: ***Prioritization of Requests for
Manual Payroll Warrants***

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 6 of 11

7. The dates on the time record incorrectly fall within the current pay period when they relate to previous pay periods.

EXPLANATION: If the date field is not entered during time entry, the system will default to the current date (see example 2 on page 10 of this technical bulletin). Because the HRIS is capable of tracking historical data, great care should be given to enter a time record that reflects the correct date and is within the correct pay period to which the original event relates.

8. Future dated time records.

EXPLANATION: The HRIS is a date sensitive system and will allow future dated transactions. In the case of a keying error to a future date, the manual payroll warrant would be calculated and issued, but the time record would be maintained on the employee's file. This would create a potential overtime issue for that future pay period when the employee would actually work. For example, if a time record for a manual payroll warrant was incorrectly entered as 09/01/04 instead of 06/01/04, the 8 hours of Pay Code 100 would be maintained on the employee record and would be added to the hours actually worked (80) during the PPE 09/10/04. This would result in 88 hours that would be used in the calculation of earnings, 8 of which would be calculated at the overtime rate.

9. Hours on the time record are being "lumped" together rather than entered separately.

EXPLANATION: Because the HRIS tracks the time and attendance hours each day, it is important to enter the hours for each individual day, using the appropriate Pay Code. For example, it is incorrect to enter a total of 40 hours to Pay Code 100 with a single date of 01/16/04, indicating a total of 40 hours worked for the single date of 01/16/04 (see example 3 on page 11 of this technical bulletin). The correct method is to enter 8 hours for Pay Code 100 on 01/12/04, 8 hours for Pay Code 100 on 01/13/04, and so forth. Manual payroll warrant requests that have been entered with the hours "lumped" together will be deleted from the HRIS.

10. Form GAO-99A is not e-mailed or faxed by an authorized individual.

EXPLANATION: The authorized Approver, as indicated on the agency Form GAO-3 (code 201 for "handwrites" or code 200 for "all HRIS"), must submit the manual payroll warrant information to the GAO. The agency should ensure that there are an adequate number of authorized Approvers available. If an emergency situation arises in which a manual payroll warrant is required and there are no authorized Approvers available, the agency should contact the GAO Central Payroll Manager so that he or she may consider the request. The correct telephone numbers for both the Approver and Preparer should also be provided.

Subject: ***Prioritization of Requests for Manual Payroll Warrants***

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 7 of 11

11. Attempting to pay a retroactive adjustment for an employee in active, resigned, or retired status through a manual payroll warrant.

EXPLANATION: Retroactive adjustments (pay increase, pay decrease, etc.) for pay periods prior to December 20, 2003 (under the old HRMS system) are to be entered in the HRIS through Form XR35.2 using the appropriate Pay Code and the actual date of the time record. Retroactive adjustments relating to active, resigned, or retired employees for the affected pay periods after December 19, 2003, are entered in the HRIS through Form ZR131, again using the appropriate Pay Code and the appropriate dates. With the exception of retroactive payments made to dismissed employees, retroactive pay adjustments entered as manual payroll warrants will be deleted from the HRIS.

12. Attempting to pay a resigned or retired employee for time records not keyed in a previous payroll.

EXPLANATION: Time records not keyed in a previous payroll should be keyed in the HRIS Form XR35.2 to be paid with the next regular payroll.

13. Attempting to pay a dismissed employee for annual leave on the same day as the dismissal.

EXPLANATION: Leave payouts for dismissed employees should not be keyed into the HRIS until the business day following termination. Leave payouts for dismissed employees must be keyed into the HRIS Form ZR80.1 correctly and in accordance with the time schedule requirements for manual payroll warrants (by 10:00 AM on a compute day or by 2:00 PM on a non-compute day) to be available for agency pickup the next business day after 9:00 AM. Please remember to allow adequate processing time to ensure the dismissed employee is paid within three business days following the dismissal.

14. Time record hours keyed for overtime earned but not paid in a prior pay period.

EXPLANATION: A manual payroll warrant request for overtime entered in the HRIS for a dismissed employee is appropriate and will be processed. However, overtime (including compensatory leave earned) for active employees should be paid with the next regular payroll.

15. Leave payouts keyed as a manual payroll warrant for an employee that has resigned or retired.

EXPLANATION: A.R.S. § 23-353(B) states that “When an employee quits the service of an employer he shall be paid in the usual manner all wages due him no later than the regular payday for the pay period during which the termination occurred.” Leave payouts for employees resigning or retiring in the current pay period should be keyed on the HRIS Form XR35.2 to be paid with the employee’s final pay, not as a manual payroll warrant.

GAO Technical Bulletin

No. 05-4

Subject: ***Prioritization of Requests for
Manual Payroll Warrants***

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 8 of 11

ON-LINE AVAILABILITY

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<http://www.gao.state.az.us/bulletins.html>

SUPPLEMENTAL MATERIALS

An updated Excel version of Form GAO-99A may be found on the GAO website under the Online Forms Page at <http://www.gao.state.az.us/onlineforms/>. Please be sure your agency is using the most recent version of the form when submitting requests for manual payroll warrants to the GAO.

INSTRUCTIONS FOR FORM GAO-99A

Please follow the detailed instructions included with on-line Form GAO-99A.

AREAS IMPACTED

All State agencies.

CONTACTS

If you have any questions concerning this technical bulletin, please contact your GAO Liaison or GAO Central Payroll. You may also e-mail questions or comments concerning State policy and procedure to us at:

gaopolicy@ad.state.az.us

Subject: **Prioritization of Requests for Manual Payroll Warrants**

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 9 of 11

HRIS ILLUSTRATIONS

Example 1: Pay Codes requiring hours have been used, but a calculated rate has been incorrectly entered instead of the number of hours (see guidelines #6, page 5).

MANUAL PAYMENT (ZR80.1) Go To Preferences Help

Company: Bank Code: Payment Number:
 Employee: No Calc Deduction Selection:

Time Records

Pay		Hours	Rate	Date	Status	Shift	Pay	Attend
FC	Code							
<input type="text"/>								
<input type="text"/>								
<input type="text"/>								
<input type="text"/>								
<input type="text"/>								
<input type="text"/>								
<input type="text"/>								

Expenses

Process

Level: Department: Expense Account: Activity:

Subject: **Prioritization of Requests for Manual Payroll Warrants**

Issued: 03/08/05

Manual Section(s): N/A
Supersede(s): GAO Technical Bulletin 00-4

Effective: 03/08/05
Page: 10 of 11

Example 2: Dates were system defaulted to the current date (12/31/04 in the example below) rather than correctly entering the date to which the regular hours were actually worked (for example, 12/28/04, Pay Code 100). (See guidelines #7, page 5).

The screenshot displays the 'Manual Payment (ZR80.1)' screen in a Microsoft Internet Explorer browser. The browser's address bar shows the URL: https://portal.hris.state.az.us/lawson/portal/. The page header includes the HRIS State of Arizona logo and the text 'MANUAL PAYMENT (ZR80.1)'. A navigation menu on the left contains links for 'Home', 'Manual...', 'Data Directory', and 'Related Pages'. The main content area features a 'Time Records' table with columns for 'Pay FC', 'Code', 'Hours', 'Rate', 'Date', 'Status', 'Shift', 'Pay Dist', and 'Attend Code'. Three rows are visible, with the third row (dated 12/31/2004) highlighted in yellow. A box containing the number '2' has an arrow pointing to the 'Date' field of this row. Below the table is an 'Expenses Process' section with fields for 'Level', 'Department', 'Expense Account', and 'Activity'. The browser's taskbar at the bottom shows several open applications, including 'Novell GroupWise - Mail...', 'Microsoft Excel - DAIL...', 'Lawson portal - Ma...', and 'Microsoft Word - Manu...'. The system clock indicates 10:50 AM.

