

The checklists below are for your use to ensure that you are following the most important procedures regarding payroll for your employees. For further information on payroll requirements and best practices, schedule a call with the payroll professionals at Human Resources, Inc.

Employee Manual

Clearly defined rules and regulations will ensure that employees are comfortable with their work environment and prevent unnecessary disputes and confusion.

- I have a signed and dated document ensuring that each of my employees have read and are aware of the rules established in my employee manual.
- My employees are clearly aware of their vacation, holiday, and sick leave allotment and we accurately track their time remaining.
- Our employee manual includes two contacts that employees must get in touch with if they are going to be absent from work.

Tracking Employee Time and Compensation

Improper tracking and compensation for the hours an employee works can lead to an unhealthy work atmosphere and even costly litigation.

- I calculate overtime on a weekly basis and compensate on the payday covering the period in which the overtime was performed.
- I have employees review, approve, and sign their timesheets to ensure that the hours tracked are accurate.
- I use a biometric time clock system to automate tracking our employees time and prevent 'buddy punching'.

Processing

Accurate payroll processing benefits your company, your employees, and third parties who rely on timely payments and reporting.

- We periodically check the accuracy of the amount of gross pay, social security, Medicare and Federal income tax withheld from an employees check.
- We verify that employees are properly classified as exempt or non-exempt.
- We periodically verify that the retirement, health insurance and garnishment amounts deducted from an employee's paycheck are accurate.

Payroll Distribution

Payroll is not a one person job. Responsibilities must be segregated to ensure accurate and ethical distribution.

- Our payroll checks are always distributed by someone who does not have payroll responsibilities.
- We periodically hand deliver paychecks/paystubs to ensure positive identification.
- Both pre-processing and the final payroll reports are reviewed by a managerial-level employee after payroll has been processed.

Taxes

Correctly reporting all required information to the taxing authority avoids delays in processing, prevents penalties and interest charges, and other fees you may be forced to pay.

- We deposit our payroll taxes and returns in a timely manner as per IRS publication 15.
- The reviewer verifies that the underlying documentation ties to the payroll tax return.
- All payroll tax forms are reviewed by someone who did not prepare the tax return.

Record Keeping

Detailed record keeping can reduce costly lawsuits, help lower your workers' compensation premium, and keeps you in compliance with federal, state, and local employment laws.

- We keep a personnel file for every employee including resume, I-9, application, performance reviews, employee manual sign-off, resignation letter, and other application information.
- We keep a benefits file for every employee containing enrollment forms, 401(k) forms, section 125 forms, and other application information.
- We keep files for every employee including relevant medical, confidential, and other miscellaneous information.

Do you have questions or need assistance with your payroll processing?

Contact the experts and Human Resources, Inc. and schedule a free consultation to discuss your needs.