

Policy Name: Payroll Regulations and Guidelines

Policy Owner: Georgia Tech Human Resources

Policy Contact: Jerri Phillips, Director of Payroll, jerri.phillips@ohr.gatech.edu

Reviewed By: Georgia Tech Human Resources, Faculty Affairs

Policy Steering Committee Approval: December 2024

Policy Purpose: This policy outlines Georgia Tech's payroll regulations and guidelines to ensure timely and accurate employee payments in compliance with federal and state laws and University System of Georgia policies. This policy combines multiple payroll policies to support employee understanding and ease of use.

The policy outlines:

- Payroll types
- Academic pay cycle
- Monthly payroll
- Biweekly payroll
- Pay group restrictions
- Overtime and compensatory time
- Internal controls



Georgia Institute of Technology

Payroll Regulations and Guidelines

Policy No. 1.2

Type of Policy: Administrative

Effective Date: TBD

Last Revised: May 2008

Policy Owner: Human Resources

Policy Contact: Jerri Phillips, Payroll Director, jerri.phillips@hr.gatech.edu

1. Reason for Policy

This policy supports Georgia Tech's commitment to pay employees promptly and accurately in compliance with the Institute's legal obligations to the federal government, various state governments, and other agencies (e.g., University System of Georgia (USG)). From both compliance and control standpoints, employees expect and should receive prompt and accurate (neither under- nor over-) payment for their work.

2. Policy Statement

Georgia Tech adheres to all USG policies and procedures for administering payroll and maintaining accurate payroll records. Refer to the [USG Business Procedures Manual regarding Employee Pay](#).

Types of Payrolls

Georgia Tech's policy is to:

- Pay non-exempt employees on a biweekly basis, two weeks in arrears,
- Pay exempt employees monthly, on the last business day of the month on a schedule established by Georgia Tech Human Resources Payroll,
- Distribute all pay on the regularly scheduled paydays through on-cycle payroll processes.

Monthly Payroll

Faculty, Staff, salaried Graduate Assistants, Graduate Teaching Assistants, and Graduate Research Assistants may be paid on the monthly payroll.

Employees compensated on the monthly payroll are paid on the last workday of each month. If the last workday is an Institute or bank holiday, payment is made on the day before the holiday.

Academic Pay Cycle under the Semester System

Under Georgia Tech's semester system, individuals on the academic pay cycle are contracted to work 9 months (August 15th – May 15th); however, the academic year salary is paid out over the 10 months of the academic contract year (August 1st – May 31st).

The summer session is handled separately during the four months from May to August, with the May and August summer salary payments added to the employee's regular academic year monthly salary, if any.

While the above describes the general rule of pay for the academic pay cycle, other job events do have a bearing on a particular individual's pay: pay increases for the new Fiscal Year, terminations, retirements, and leave all potentially affect pay. The following describes the pay rules for August and May under Georgia Tech's semester pay system.

August Payment Rules

August Pay for 9-Month (Academic Year) Faculty, and Post -Docs will be paid in compliance with the 10-payment plan described above. The August Pay will reflect the Last Payment for the Summer Session and First Payment for the Fall Semester. Payment rules that will be applied are as follows:

9-month faculty

- Academic Faculty must be hired by August 15th to receive their full academic year pay.
- 9-month faculty are paid over ten months (per the USG requirement). GT must ensure that if such faculty will leave or be terminated at the end of their contracts, they must remain on payroll through May 31 to receive full academic year pay.
- Academic Faculty that are terminating, retiring, or on leave without pay effective on August 1st, if applicable, will receive Summer Pay during the months of May – July.

Bi-weekly Payroll

The following employee groups are paid bi-weekly:

- Non-Exempt employees, including students, covered under the Fair Labor Standards Act (FLSA),
- Hourly exempt staff, and Non-Exempt/Bi-weekly faculty
- Hourly appointments of Graduate Assistants and Student Assistants.

Pay dates are normally six workdays after the pay period ends. If the pay date falls on a holiday, including bank holidays, payment will be made on the preceding workday.

Non-exempt staff are prohibited from knowingly or intentionally:

- Submitting false time records.
- Allowing anyone else to record their hours worked; or
- Recording hours worked on behalf of another employee.

Pay Groups

In order to comply with federal Fair Labor Standard Act (FLSA) regulations, no Georgia Tech employee, student or non-student, shall be hired concurrently in both a monthly paid exempt status plus a bi-weekly paid non-exempt status. All employees must be paid in only one pay group, either monthly or bi-weekly.

If necessary, the Institute will derive the weighted-average pay rate based upon concurrent hourly rates of pay and pay any overtime accordingly. If a student is paid as a monthly exempt employee, their percentages of time worked and pay will be allocated to the appropriate hiring department and account number.

Segregation of Duties

It is the policy of Georgia Tech to segregate the duties for payroll processing, as well as for distributing payroll, in accordance with sound internal control practices. Segregation of duties involves dividing responsibilities for handling payroll, as well as recording, authorizing, and approving transactions, among different people, so that no one person can control the payroll process from start to finish.

Fiscal Officers and Approvers

Fiscal Officers are responsible for all payroll expenditures that occur on their accounts. The Fiscal Officer can delegate approval authority to a Fiscal Approver, who is then authorized to approve all payroll transactions in the place of the Fiscal Officer. This approval delegation also assigns authority to the Fiscal Approver to audit and verify payroll expenditures for the Fiscal Officer before each payday. The Fiscal Officer, however, retains ultimate responsibility for completing those functions on an accurate and timely basis.

Approvers and Payroll Processors are prohibited from knowingly or intentionally approving false time records.

At a minimum, the payroll review must include reviewing the:

- Names, for purposes of looking for people who have been terminated or hired.;
- Amounts paid to people to make sure they look reasonable in amount; and,
- Hours worked to validate that they are reasonable for the person doing the job.

3. Scope

This policy applies to all Georgia Tech Institute of Technology employees.

4. Definitions

Standard Workweek	The standard workweek for non-exempt at Georgia Tech is 40 hours, from 12:01 a.m. Sunday through 12:00 midnight on Saturday. If it is necessary for an employee's work week to exceed 40 hours, the overtime must be pre-approved by the department head.
--------------------------	---

Overtime and Payment for Overtime	Any non-exempt employee of Georgia Tech (as defined by the Fair Labor Standards Act) who is required to work more than 40 hours during a workweek will be paid at 1.5x his/her standard rate for all work in excess of 40 hours, unless compensatory time is authorized. If an employee is paid more than one account and the combined hours for the workweek exceed 40, the total pay will be prorated to each account based on the percentage of time reported per account to total time reported each workweek.
Compensatory Time	The Board of Regents Personnel Policies Handbook, Section II--Classified Employment states: "In lieu of payment for approved overtime work, compensatory time may be granted at the rate of one and one-half hours of compensatory time for each hour of overtime work. Approved compensatory time is subject to a maximum accumulation of sixty (60) hours and must be expended by the end of the succeeding calendar quarter."
Full Month Compensation (other than those on an Academic Contract)	The amount of monthly compensation is equivalent to one-twelfth of the fiscal year annual salary.
Partial Month Pay Calculation	The number of days worked in a month is divided by the total number of workdays to determine a percentage of compensation for that month. Partial pay is calculated by multiplying the monthly rate by the percentage of compensation.
Payment of Accrued Vacation Leave Upon Departing GT	The value of accrued vacation pay is calculated by multiplying the daily rate by the total number of days of accrued vacation leave. Payment of accrued vacation eligible employees upon termination is 45 days.
Exempt Employees (student or non-student, full time or part time)	Exempt employees are paid monthly and are exempt from the Fair Labor Standards Act (FLSA) and therefore not subject to overtime payments.
Non-Exempt Employees (student or non-student, full time or part time)	Non-exempt employees are paid bi-weekly and are not exempt from the Fair Labor Standards Act (FLSA) and therefore are subject to overtime payments for all hours worked in excess of 40 hours per work week.

5. Related Information

Resource	Link
FLSA	https://policylibrary.gatech.edu/employment/fair-labor-standards-act-flsa
GT Absences and Lateness	https://policylibrary.gatech.edu/employment/time-leave-reporting
Eligibility for Student Employment	https://policylibrary.gatech.edu/employment/eligibility-student-employment
GT Payroll Website	https://hr.gatech.edu/payroll/
GT Employee Social Security Tax	https://policylibrary.gatech.edu/employment/social-security-coverage

6. Policy History

Revision Date	Author	Description
TBD	Georgia Tech Human Resources	New Consolidated Policy

DRAFT