

## BFA Administrative Detail: #30 - 1

### Payroll Warrant Distribution

#### **1.0 PURPOSE**

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To ensure the timely and accurate distribution of faculty, staff, and student pay warrant and to safeguard pay warrants from being distributed to unauthorized persons and to guard against misappropriation of funds.

#### **2.0 BACKGROUND**

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SUAM 3812 describes the salary warrant distribution process. This process is required to minimize the possibility of misappropriating funds. It is essential that there be a division of duties between those persons responsible for processing payroll transitions, payroll certification, and/or reconciliation and those who receive and distribute warrants. Because CI employees are paid for through the State Controller's Office (SCO) we are required to follow the rules set forth in SUAM 3812 and in circumstances not covered by the items detailed in this directive, the Chief Business Officer shall be responsible for approved appropriate action to deal with unusual circumstances.

#### **3.0 CITATIONS AND LINKS TO APPLICABLE STATE LAW, CSU POLICIES, ETC.**

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SUAM section 3812 Salary Warrant Distribution Process:

<http://www.calstate.edu/suam/SUAMDOCUMENTS/SUAM3800/SUAM3812.HTML>

Attachment 1 – Pay Warrant Distribution Instruction Form

Attachment 2 – Warrant Officer Authorization Form

Payroll Calendar - <http://www.csuci.edu/hr/payroll.htm>

Employee Requisition Form - <http://www.csuci.edu/hr/hrforms.htm>

## 4.0 PROCEDURES

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### **Payroll Header and Reporting (Unit) Code:**

A payroll header is only used in the Payroll Information Management Systems (PIMS). The payroll header contains a series of numbers assisting the state in identifying the campus as well as identifying information for the campus to use when disbursing checks. Reporting Unit code, which is often referred to as Unit Code or payroll header on the CI campus, is a code that must be assigned to each employee to assist with distribution of warrants. The reporting unit code is not used to identify a particular funding source.

**Financial reports are based upon department number. Reporting (unit) code is used to direct warrants to the correct warrant officer.**

### **Warrant Officer (WO):**

For CI, a WO is an employee who is authorized to pick up pay warrants from Student Business Services and disburse them to employees (faculty, staff, and student assistants) in their designated areas. A current list of warrant officers and reporting unit codes can be found on the [Student Business Services](#) web page.

### **Employee Requisition:**

Each employee must be assigned a reporting (unit) code; this code is assigned to a specific warrant officer. A warrant office may have multiple reporting (unit) codes or just one; however an employee can only have one reporting (unit) code. When completing an employee requisition be sure to complete the Unit # section with the appropriate reporting (unit) code.

### **Pre-Distribution**

- A. An active Warrant Officer Authorization form must be on file with Student Business Services. If there is a change or an additional warrant officer assigned, a new form must be submitted at least 48 hours prior to the following pay warrant distribution. Pay Warrants can only be released to the individuals listed on the form.
- B. If the primary warrant officer is unavailable on payday, it is the alternates responsibility to make the necessary arrangements to get the checks distributed in a timely manner.
- C. Personnel assigned to Payroll Services or staff authorized to prepare payroll transactions and/or certify attendance reports are not authorized to receive pay warrants (SUAM 3812.1)
- D. The pay warrants must be received and distributed by an office physically apart from payroll services (SUAM 3811). Pay warrants from the State Controller's Office (SCO) will be received in Student Business Services (SBS).

- E. Pay warrants are received from the SCO in reporting (unit) code order. This is used to identify areas/warrant officers within the university. For example, reporting unit 225 is assigned to warrant officer Jane Doe. On payday, Jane Doe will report to SBS to sign for the warrants in reporting unit code 225 and return to a designated distribution area to distribute warrants. Number 225 is also an active department number; however, the two numbers are not related in any way.
- F. SBS verifies the beginning and ending pay warrant number for all live (green) and advice (white) pay warrants for each delivery from the SCO.
- G. SBS will bundle pay warrants exactly how they come from the SCO, no sorting can be accommodated as the checks often come in shortly before distribution is required.

## Distribution

- A. The WO will pick up the pay warrants from SBS no earlier than 3:00 PM each pay day. Warrant officers may not distribute warrants before 3:00 PM to ensure that a pay warrant will not be presented to the State Treasurer's Office prior to the issue date (SAM 8580.2).
  - a. **Pay warrants must not be negotiated until just before bank closing time on the day preceding the issue date on the face of the pay warrant.** Those which reach the State Treasurer's Office prior to the issue date must be charged back to the bank (SCO's Payroll Procedures Manual (PPM) and (SUAM 3812). Any charges arising from an employee cashing his/her pay warrant before the issuance date will be the responsibility of that employee.
- B. The WO must present a photo identification card to pick up pay warrants for reporting units assigned to them.
- C. The WO is responsible for ensuring that under no circumstances shall a person authorized to certify attendance or approve pay documents have custody of pay warrants at any time (SUAM 3812.1).
- D. The WO will pick up and certify all checks listed are picked up. **On paydays employees or students be allowed to pick up their warrant from SBS.** The warrant officer is responsible for ensuring that all applicable policies are being followed and ensure that warrants are being distributed appropriately and timely. Each area should have at least one alternate warrant officer to cover for absences.
- E. Any questions regarding the actual pay warrants received (i.e. missing pay warrants) should be directed to Payroll Services.
- F. The WO will ensure that all live pay warrants (green) in their possession are kept locked and secured at all times. Only the warrant officer will have access to the secured area (file cabinet, locked drawer, etc.).

- G. Pay warrants must be handed directly to each employee on payday. Pay warrants **may not** be distributed to anyone other than the employee except if the employee has completed the Pay Warrant Distribution Instruction form. The warrant officer should have a check off system such as requiring the employee to sign off on the release form pay warrant at the time of pick up. If the employee is not present, the warrant officer will maintain the pay warrant distribution instructions for each individual employee in their department containing the preferred method of distribution and handling of their pay warrant. Pay warrant distribution instructions should be distributed per the written instructions previously submitted by the individual employee (Attachment 1). Signed receipts should be kept for 12 months following the pay date and then must be shredded.
- H. Pay warrants are generally not to be mailed for employee convenience. However, they may be mailed, with prior approval, in cases such as illness, travel, or training. **A self-addressed stamped envelope must be provided from the employee to the warrant officer before checks can be mailed** (SUAM 3812).
- I. After 5 business days if the warrant officer is unable to locate an employee with their designated reporting unit, the live pay warrant (green) must be returned to SBS. A written record of all undelivered pay warrants will be maintained by SBS and a copy given to Payroll Services. (SAM 8580.5) Once pay warrants have been returned to SBS, the employee or student must retrieve that returned pay warrant from SBS as it will not be returned to the warrant officer in the following pay period. Advice warrants (white) need not be returned to SBS, and **must** be distributed by the warrant officer. At no time should a pay warrant be returned to Payroll Services.
- J. Pay warrants (green) not delivered within 90 calendar days of original receipt must be deposited and remitted to an escheat revenue account in the original fund that provided the resources to the State Payroll Revolving Fund (SAM 8580.5).
- K. The WO will be responsible for keeping a record of each month's pay warrant method of distribution and requirements.
- L. If it is determined that a pay warrant is missing, the department will notify SBS to see if they are in possession of the pay warrant. If the pay warrant still cannot be found, SBS will notify Payroll Services and Payroll Services will contact the State Controller's office.
- M. Any lost/misplaced pay warrants can only be replaced by the SCO. This process can take up to 6 weeks or more, depending on circumstances.

When pay warrant distribution falls on a holiday the pay warrants may be picked up by the employee at a pre-determined location and time. Notice of this information will be communicated to the campus via use of Campus Global e-mail.

## 5.0 DEFINITIONS

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- **Agency Code (SCO) (For Channel Islands 265)**  
A three-digit numeric code assigned to an agency that identifies that agency for payroll use.
- **Budget function code (CSU Use Only)**  
A three-digit code in lieu of reporting unit. Identifies a group of employees reporting under a single budgetary control.
- **Direct deposit**  
Method by which the State Controller's Office automatically deposits employee's payments in their designated bank accounts.
- **Master Payroll**  
Regular monthly payroll that is prepared as of cutoff date for monthly rate employees in roll codes 1 and 2.
- **Pay Period**  
Designation of the period of time for which payment is made. There are 12 periods in a calendar year containing 21 or 22 work days in each pay period.
- **Pay warrant**  
Authorization for payment from the State of California Treasury (pay check).
- **Payroll Header**  
Required to be established each fiscal year in order for the SCO to legally issue payroll warrants to employees. Indicates the agency code, reporting unit code, name of fund, identification of appropriate (chapter, item number, etc) and fiscal year. Payroll header information is always printed on warrant registers and attendance reports.
- **PIMS**  
Personnel Information Management System – computerized database that contains official personnel, payroll and retirement information for employees of The California State University and is used to request pay for CI employees.
- **Reporting Unit code**  
Code that identifies campus reporting units assigned to a specific warrant officer. The warrant officer is responsible for distributing pay warrants to employees with the same reporting unit code.
- **SAM**  
State Administrative Manual – maintained by the Department of Finance and Department of Goods and Services. It is a reference source of statewide policies, procedures, and regulations.
- **SCO**  
State Controller's Office- the control agency responsible for employment history, payroll, and payment of state claim.
- **Warrant Officer (WO)**  
Individual assigned within departments/divisions to disburse pay warrants.

## 6.0 CONTACTS

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Student Business Services - 805-437-8810; [sbs@csuci.edu](mailto:sbs@csuci.edu); located in Sage Hall please refer to the SBS webpage <http://www.csuci.edu/sbs/> for current hours of operation.

Payroll Services 805-437-8848 – Betty Berriochoa; 805-437-8487 – Jacinta Bastone; 805-437-8849 Christine Girardot; <http://www.csuci.edu/hr/payroll.htm>

## REVISION TRACKING

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### Revision History

Revision Date	Revised By	Summary of Revisions	Section(s) Revised
	Click here to enter name of Person Revising.	Copy and paste to new template	Click here to enter Sections Revised.
			3.0 + 4.0

### Review / Approval History

Review Date	Reviewed By	Action (Reviewed, Recommended or Approved)