



APPLICATION

26.1 This policy applies to all NPF employees, managers and supervisors.

APPROVAL AUTHORITY

Chief Executive Officer (CEO)

OPI

Chief Human Resources Officer (CHRO)

ENQUIRIES

26.2 All enquiries on the interpretation and application of this policy are to be directed to the HRM or RMHR who will consult with the OPI.

POLICY OBJECTIVE

26.3 The objective of this policy is to provide a framework and guidelines for the application of payroll.

DEFINITIONS

26.4 The following vocabulary is used throughout the policy:

Payroll Entity Number (PEN) (Numéro de l'établissement aux fins de la paie [NEP]): Are used to automatically charge specific General Ledger with specified payroll costs.

PEN Manager (Gestionnaire de NEP): Is the manager who has the proper financial responsibility for the PEN in accordance with the [CDS Delegation of Authorities for the Administration of Non-Public Property \(NPP\)](#).

Taxable benefit or allowance (Avantage ou allocation imposable): Means something that is personal in nature that the Employer pays or provides directly to the employee or to a person who does not deal at arm's length with the employee (such as the employee's spouse, child or sibling) and which the Canada Revenue Agency (CRA) considers to be taxable.

Timekeeper (Personne chargée de l'entrée de données): Is the person who records the hours worked and approved absences for the allocated PEN in the time system.

GENERAL POLICY

PROCESSING OF PAYROLL

- 26.5 Payroll is processed utilizing the following steps:
- a. Work schedule issued;
 - b. Timesheets recorded in accordance with the hours worked by the employee;
 - c. Timekeepers records the time entries (i.e. paid time, sick leave, court leave, jury duty) into the time system;
 - d. Hours must be entered in one quarter ($\frac{1}{4}$) hour increments;
 - e. Timesheets approved;
 - f. Manual time entry payments (i.e. sick leave, court leave, jury duty) entered into the payroll system by HR;
 - g. Payroll processed.
- 26.6 NPF follows an established biweekly pay schedule with payments 10 days in arrears.
- 26.7 All employee payroll data is processed by properly recording all hours worked by employees and/or their designated holidays and approved leave in accordance with applicable policies and/or applicable collective agreements.

PAYMENT AND NOTIFICATION

- 26.8 All employees are required to provide an account to have their pay directly deposited to a financial institution of their choice.
- 26.9 Pay stubs are available online on the corporate website once employees have obtained the necessary credentials required by IM/IT.

PAYROLL DEDUCTIONS

- 26.10 NPF will establish and maintain record-keeping for:
- a. Provincial and federal statutory requirements for mandatory deductions;
 - b. Allowances and other taxable and non-taxable benefits paid in addition to basic pay;
 - c. Wage garnishments or other court ordered wage attachments;
 - d. Corporately approved voluntary payroll deductions (i.e. Registered Retirement Savings Plan (RRSP), Tax-Free Savings Account (TFSA), Non-Registered Savings Plan (NRSP), Government of Canada Workplace Charitable Campaign);
 - e. NPP activity commitments paid by payroll deductions (i.e. CANEX credit plan, mess dues, NPP membership).

OVERPAYMENTS

- 26.11 NPF will seek reimbursement for all overpayments of salaries made to current and former employees as a result of an administrative error.
- 26.12 Employees no longer employed by NPF must make an immediate reimbursement to NPF regardless of how the overpayment occurred. Upon reimbursement of the overpayment to NPF, the local HR Office will update the employee's record.

26.13 In exceptional circumstances (e.g. where recovering an overpayment may present a legal liability) and in consultation with HR, the Division Head may waive a portion or all of the overpayment amount to be recovered, up to a maximum of ten thousand dollars (\$10,000). Requests to waive an overpayment recovery in excess of ten thousand dollars (\$10,000) require the CEO's approval. All requests to waive recovery of overpayments must be reported to the CEO and CFO.

RECORD OF EMPLOYMENT

26.14 The National Payroll Office will issue a Record of Employment to the employee for employment insurance purposes upon:

- a. Approved periods of any type of leave without pay that exceed seven (7) days;
- b. Any break in service longer than seven (7) days ; or
- c. Termination of employment.

ANNUAL STATEMENTS

26.15 Annual statements are available online on the corporate website once employees have obtained the necessary credentials required by IM/IT.

26.16 Any taxable benefits that may be provided by the Employer to the employee will be recorded on the employee's annual statements.

ELECTRONIC INFORMATION

26.17 Employee records must be maintained and updated. Electronic HR information must match supporting documentation in employee files in accordance with the Employee Files policy.

RESPONSIBILITIES

26.18 The levels of responsibility are as follows:

- a. PEN Managers are responsible for:
 - i. Reviewing and approving timesheets prior to submission to payroll in accordance with applicable policies and/or collective agreements,
 - ii. Ensuring all applicable paperwork for manual time entries are submitted to HR in accordance with published payroll schedule;
- b. Timekeepers are responsible for ensuring that hours and approved leave are properly recorded in accordance with applicable policies and/or collective agreements;
- c. Employees are responsible for:
 - i. Bringing any payroll discrepancies to the attention of their manager in the event that they are overpaid/ underpaid in any given pay period, and
 - ii. Filing their income taxes in accordance with relevant legislation;
- d. Local HR Offices are responsible for:
 - i. Ensuring the application of this policy,
 - ii. Ensuring all paperwork pertaining to payroll has been submitted to the Centre of Excellence for processing payroll,

- e. Centre of Excellence Offices are responsible for:
 - i. Processing payroll, ii. Processing pension and benefits
 - ii. inputting manual time entry corrections,
 - iii. Ensuring any manual time entry provided by the PEN Manager is properly entered for payment;
 - iv. collecting/recording benefit/pension payments for employees on approved periods of leave without pay.
- f. RMHR are responsible for monitoring with the HRM to ensure proper application of the policy; and
- g. National Payroll Office is responsible for:
 - i. ensuring effective controls (e.g. accuracy, completeness, timeliness, authorization) are in place for all processes and systems that support pay administration and compliance with Relevant Legislation; and
 - ii. assisting PEN Managers, Timekeepers and HR staff with payroll related inquiries or entries.

REFERENCES

26.19 The following legislation is relevant to the content of this policy:

- Canada Pension Plan
- *Employment Insurance Act and Regulations*
- *Garnishment, Attachment and Pension Diversion Act*
- *Government Employees Compensation Act*
- *Income Tax Act*
- *Pension Benefits Standards Act*
- Applicable Provincial Health Acts