



ADMINISTRATIVE REGULATION

Office of the City Manager

Number	303
Responsible Department	Finance
Established/Effective Date	08/01/2007
Latest Revision Date	11/30/2023
Next Review & Reauthorization Date	11/30/2025

SUBJECT: Payroll Direct Deposit Program & Distribution of Employee Paychecks

1. **Purpose:** To define when and how employee pay stubs and paychecks are to be distributed and to establish a standard operating procedure for employees to participate in the City's payroll Direct Deposit program.
2. **Authority:** By authority of the powers granted to the City Manager under Section 401 of the City Charter. Huntington Beach Municipal Code 2.15.030 Finance Department, Director – Powers and Duties. Huntington Beach Municipal Code 2.16. City Treasurer.
3. **Applicability:** This regulation shall apply to all City departments and employees.
4. **Definitions:**
 - 4.1. **Pay stub** – A document an employee receives either as a notice that the direct deposit transaction has gone through, or as part of their paycheck. Pay stubs detail gross earnings, taxes, and any other deductions such as retirement plan contributions, insurance, garnishments, or charitable contributions taken out of the gross amount to arrive at the final net pay. This also includes employee's leave accrual information.
 - 4.2. **Paycheck** – A pay stub with a negotiable check attached.
5. **Policy:**
 - 5.1. The City desires complete employee participation in the Direct Deposit program. See 7.1. for specific procedures for employees.
 - 5.2. In compliance with federal law, the pay date shall be the actual day the funds are available to the employee.
 - 5.3. All City employees shall be paid bi-weekly.



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- 5.4. Paychecks and pay stubs shall be dated the Friday following the completion of a full pay period. A full pay period consists of 14 consecutive calendar days for a total of 26 or 27 pay periods for a year.
- 5.5. Paychecks shall be dated Thursday in the event of a Friday pay date holiday. Pay date shall remain on Friday in the event of a Thanksgiving Friday pay date holiday.
- 5.6. Distribution of paychecks shall be after 3:00 pm on the afternoon before the pay date. Electronic distribution of pay stubs via an email to each employee shall be between 3:00 – 5:00 p.m. on the afternoon before the pay date.
- 5.7. In no case are paychecks and pay stubs to be distributed prior to the day before the pay date.

6. Responsibilities:

- 6.1. All employees shall be responsible for completing and submitting their timecards (via [Surfnet](#) – [Kronos or other methods authorized by the City](#)) no later than - Friday for that pay period.
- 6.2. The Chief Financial Officer (CFO) or designee shall be responsible for overseeing the processing of payroll and creation of electronic fund transfer files.
- 6.3. The City Treasurer or designee shall be responsible for overseeing the transmission of electronic fund transfer files, the printing of paychecks, and the distribution of paychecks to authorized representatives/liaisons of City Departments.
- 6.4. Department Heads shall be responsible for designating a staff member(s) to serve as Department Liaisons to assist departmental employees with their timecard related questions and overseeing the distribution of paychecks to City employees within their department.
- 6.5. Department Liaisons shall review the paychecks to ensure that each employee works in their department and is entitled to receive a paycheck.
- 6.6. The Human Resources (HR) Department shall be responsible for ensuring that new employees understand this policy and protocols related to payroll during the onboarding process. The HR Director or designee shall communicate a Holidays & Pay Dates Schedule to employees annually or as required in collaboration with the Finance – Payroll.

7. Procedures:

- 7.1. Employees shall complete and submit [Payroll Direct Deposit Authorization Form](#) (Attachment 1) accessible on [SurfNet](#) or via HR Department, along with a Voided Check(s) to Finance - Payroll to participate in the Direct Deposit program. Employee may deposit up to three different financial institutions.
 - 7.1.1. To change Direct Deposit bank account information, use the same Direct Deposit Form above to submit it to Payroll. To effectuate the requested change, it may take up to 2-



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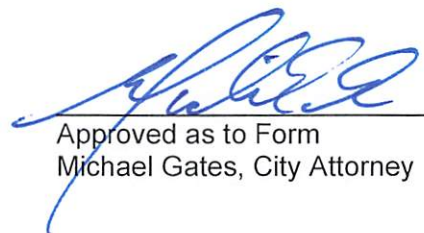
3 weeks to process and any changes may cause employee(s) to receive a paper check in the interim.

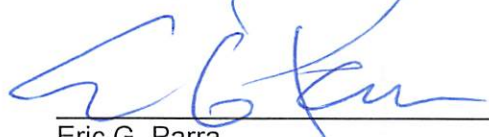
- 7.2. Employees can find their paystubs at any time on [SurfNet – Paystub](#) (Attachment 2) by logging in. When creating a new User Account, employees must have their unique Employee ID number and are encouraged to use their personal e-mail address. Employees may also access their W-2 forms in the same system.
- 7.3. Paychecks shall be distributed after 3:00 p.m. on the afternoon before pay date to approved Departmental Liaisons.
- 7.4. Department Heads shall provide the CFO and the City Treasurer with a current list of employees authorized to pick up paychecks for their department.
- 7.5. Department Heads may establish additional procedures, subject to the approval of the City Manager, to implement this regulation.
- 7.6. Employees shall be given reasonable access to pick up their paychecks. Deviations from the usual distribution procedures should be communicated as early as possible to employees.
- 7.7. Paychecks shall be secured in a vault, locked desk, or locked file drawer when they are not being personally distributed.

Attachments

1. [Payroll Direct Deposit Authorization Form](#) (via [SurfNet – Forms & Templates – Payroll](#))
2. Access to Employee Paystub via [SurfNet – Paystub](#).


Sunny Han, Chief Financial Officer
Initiating Department Head


Approved as to Form
Michael Gates, City Attorney


Eric G. Parra
Interim City Manager



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Review Schedule

REVIEW DATE	DEPT. HEAD INITIAL	CITY MANAGER SIGNATURE