**Sample**

**Payroll Procedures**

*These sample procedures should be adapted for your board of management by customising as relevant. These sample procedures may need to be adapted to align with your board’s other policies and procedures. Likewise other policies and procedures may need to be aligned as appropriate with these sample procedures.*

|  |
| --- |
| **[SCHOOL NAME]**  **Payroll Procedures** |

Approved by Board of Management: [Date Approved]

Next procedure review date: [+12 Months]

**1. Introduction**

The board of management have prepared this document to ensure that there are adequate procedures in place for the payment of wages to school staff and other persons being paid by the school and that statutory obligations are met.

**2. Controls**

1. The board of management should approve all rates of pay and any changes to rates of pay.
2. Timesheets are provided for employee use and should be filled out by the employee and submitted to the Principal within an agreed time frame. E.g. if wages are paid in arrears, they may be submitted at the end of the relevant week for payment the following week. At the very least, time should be provided to deal with any questions or issues.
3. The Principal should review, approve, and sign the timesheets.
4. Payroll should always be processed using a payroll package, this will avoid potential errors.
5. The [Principal (in post primary schools) or Principal and treasurer (in primary schools)] should review and sign-off on the “gross to net” payroll report before authorising bank payments.
6. A register of employees should be maintained and updated for new employees and leavers.
7. All employees should have a contract of employment.
8. All wages/salary payments should be paid via direct debit, EFT or cheque, and never by cash.
9. The Revenue Statement of Account should be reviewed and accepted each month.
10. Payroll advances should never be paid. Payroll payments must always match payslips.

**3. Procedures**

1. Rates of pay are agreed by the board of management, in line with Department of Education circulars where relevant.
2. Standard rates and hours, and annual leave for each employee are given to the payroll operator.
3. The Principal informs the payroll operator of any new employees and their pay rates and leave entitlements and of any employees leaving employment and their finish date.
4. Where an employee works on a casual basis e.g., substitute and you are not sure if they will be working for you again, if they have not been paid for 3 months they should be marked as leavers in the next payroll submission. The date of leaving should be the last day the employee worked with you.
5. Appropriate timesheets are provided to all staff.
6. Timesheets are completed by all employees and submitted to the Principal within [timeframe].
7. The Principal reviews, approves and signs off on the timesheets.
8. Details of employees to be paid along with their timesheets are given to the payroll operator. Details of any overtime and holidays are included. Any temporary employees are also listed; such as selection committee members and anyone giving one-off lectures/training.
9. The payroll operator requests new RPN (Revenue payroll Notification) every time payroll is run. This ensures employee credits are up to date and correct deductions applied.
10. The payroll operator processes the time and pay in the payroll from the information in the timesheets, including standard hours and any other hours e.g. holiday hours etc. The correct rate of pay should be checked. Non-standard hours should be shown separately, so that the payslip accurately reflects the hours paid. This also provides the school with records of holiday pay, bank holiday pay etc which has been paid and thus protects the school from future challenges regarding these.
11. The payroll operator finalises the payroll and generates the payslips, gross to net report and additions/deductions reports if applicable.
12. The payroll operator reviews the reports for accuracy and reasonableness, checking that all deductions (tax, PRSI, pension) were correctly made, and that the reports add up correctly.
13. The payroll operator makes a payroll submission request (PSR) for every payroll run. This submits the payroll to Revenue.
14. A backup of the payroll package is taken. Back up of payroll should be securely stored, on USB, external drive or online storage. It is important to ensure this information is not lost when a computer is replaced or repaired.
15. The [Principal/treasurer] reviews the gross to net payroll reports. This report details the gross pay of each employee and shows what has been deducted for tax, PRSI USC and any other deductions, leading to the net amount, which is the amount that the employee receives. When reviewing this report it is important to check all employees are listed and changes to rates were approved.
16. If an error is discovered, it should be corrected as soon as possible.
17. Wages and salaries are prepared for payment and authorised by [the treasurer and chairperson/chairperson delegee in primary schools or by the Principal and other board approved authoriser in post-primary schools].
18. [Where the accounts secretary/clerical officer/bursar does not operate the payroll, details of all wages payments and an analysis of those payments should be given to them for entry into the accounts.]
19. Each month the Revenue statement of account should be agreed to the payroll tax liability as per the payroll system.
20. Deduction reports to back up payments for pensions/union fees should be produced as required.
21. Annually the employee details/year-end report should be produced and saved/printed.
22. The register of employees is reviewed by the Principal and treasurer/finance subcommittee annually to ensure that it is up to date and does not include any employees who are no longer paid by the board of management**.**

**7. Contacts:**

For questions about these procedures, contact the board of management or [insert person/role] by [insert contact details].

**8. Procedure Review:**

These procedures will be reviewed annually and updated where necessary.

Adopted by board of management on [date].

Signed by the Chair on behalf of the board of Management

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Note:**

This document is issued by the FSSU to encourage and facilitate the better administration and management of schools. This guidance was published as part of a suite of guidance, intended to provide support to boards of management, by putting in place systems, processes and policies which ensure schools are managed in an effective, efficient, accountable and transparent way.

This document is not, nor is it intended to be, a definitive statement of the law and it does not constitute legal advice. This document is not a substitute for professional advice from an appropriately qualified source. The FSSU recommends that board of management consult their governing document or obtain their own independent legal advice where necessary. The FSSU accepts no responsibility or liability for any errors, inaccuracies or omissions in this document.