Payroll Process

Acra Lending has one biweekly pay cycle. Biweekly payroll is paid on a 10-day basis every other Friday. There are 26 pay periods per year. If a regular payday falls on a holiday, employees will be paid on the preceding business day. Settlement of commissions and payment of bonuses and incentives based on monthly financial statements are made on the 2nd pay period per month with exception. See 2022 Payroll Calendar for details.

Employees are encouraged to elect direct deposit for payroll. Manual paychecks are sent via USPS to the employee's home address on file.

For election of, or changes to, payroll payment set-up, employees are responsible for providing accurate supporting documents (i.e., Void checks, change of mailing address) to Human Resources or the payroll administrator.

Post pay day, employees are encouraged to verify their paystubs. Any questions concerning paychecks should be brought to the attention of the supervisor, Human Resources, or payroll administrator as soon as practical to ensure timely explanation or correction if needed.

The Company complies with all local, state, and federal regulations regarding payroll including meal and rest periods.

ALL EMPLOYEES - Expectations:
Employees are required to arrive at work in a timely manner that will allow them to put their personal belongings away, grab their coffee, etc., and be at their workstation ready to work on time.

The Company believes that all employees need to have a minimum of 30 minutes (60 minutes preferred) per shift uninterrupted unpaid time to enjoy a meal or just to relax.

The Company provides one paid ten-minute rest break for every four hours worked or major portion thereof. Rest breaks should be taken as close to the middle of each four-hour period as practical. Rest periods are on the clock (the employee is paid). The Company encourages employees to take all authorized rest breaks each workday. Meal and rest periods may not be combined.

Accurately recording all your time is required to be sure that you are paid for all hours worked as required by wage and hour laws. "Hours worked" is defined by law as all-time an employee is subject to the control of an employer and includes all time that an employee is suffered or permitted to work, whether required to do so. Working "off the clock" is not permitted.

Hourly non-exempt employees:
You are expected to follow the established procedures in keeping an accurate record of your hours worked. Any changes or corrections to your timecard or time record must include an explicit note in the Time & Labor system explaining the reason for the change/edit.

Under no circumstance may any employee punch or record another employee's timecard. This includes managers manually entering or editing an employee's time (exception if the employee does not have access or employee emails a request for correction to their timecard).

Hourly non-exempt employees are required to accurately record their hours of work using an electronic timekeeping system (Paylocity Time & Labor).

Correctly clocking in/out for the day and for meal periods is a _fundamental job requirement_ for all hourly employees. Failure to do so is subject to disciplinary action including termination.
Hourly employees are:

- Required to clock in for the start of their shift.
- Clock out for lunch and clock in when returning from lunch.
- Clock out upon completion of duties for each day. If they clock out and then are asked to complete a task, they must clock back in, complete the task and clock out again for the day.
- Hourly employees must review and approve their timecards prior to payroll closing.
- Hourly employees are paid for all hours worked, even if the hours were approved or not.
- The direct supervisor must be notified of any corrections needed prior to payroll closing.
  - Hourly employees are required to notify their supervisor via email within 24 hours of the correction needed.
  - The supervisor is to copy the correction request from the email and paste it into the note section of the employee's timecard.

Salaried exempt employees:

Salaried employees are auto paid; however, the time sheet must include any holiday and PTO (vacation, sick, bereavement, jury duty, etc.) time off. They must approve their time card prior to payroll closing when they have taken any type of PTO.

Best Practices:
Hourly:

- Clock in/out correctly. Report any corrections needed via email to your supervisor immediately. Review timecard and approve frequently.
- Submit time off requests in advance when possible. Do not assume time is approved.

Salaried:

- Submit time off requests in advance when possible. Do not assume that your time off request is approved. Time off must be recorded in timecard. Timecards containing PTO must be approved.

Managers/Timecard approvers:

- Do not wait until the last minute to review, edit and/or approve timecards, review frequently during the pay period. Frequent edits to the same employee's timecard are unacceptable and may require coaching and disciplinary action.
- All changes/edits to an employee timecard require a note from the employee stating what correction(s) are needed. Supervisor is to copy the emailed note from the employee into the supervisor note section of the timecard for all and any timecard adjustment. If the supervisor needs to enter a sick day and the employee is unable to send the request, the supervisor must include a note indicating that the employee could not request the time off as they called out sick.
- A proxy must be assigned when the supervisor/manager is unavailable to approve any timecards. HR is backup only.

ALL EMPLOYEES - PTO

- All time off must be requested via Paylocity in advance and approved prior to time taken with little exception*.
  - *Sick time, unexpected emergencies may not always allow for advance notification. However, the requests must be submitted through Paylocity as soon as possible.

- Submittal of time off requests does not guarantee approval. Approval of time off requests are subject to managers approval and business needs. Employees should not assume a time off request is approved.
  - It is encouraged that employees follow up with their managers regarding any submitted time off request, to ensure that their manager is aware of the request and either approves or denies request prior to payroll closing.

Payroll Closing:

All edits/changes/approvals to timecards must be completed by 11 AM* on payroll Monday, the Monday following last day of the pay period.

*Payroll closing time is dependent upon the work week. If payroll processing is a short week due to a holiday, payroll may close sooner.

The payroll system locks down at noon and no future edits/corrections allowed. Any missed punches/missed time will be corrected once payroll processes and the hours missed will be added to the next payroll period (paid next pay date).

If you have any questions regarding the payroll process, please contact Human_Resources@AcraLending.com

Thank you,
Alice Boutwell,
Managing Director Human Resources

ACKNOWLEDGEMENT:

I have read, understand, and agree to abide by the Payroll Process policy.

If hourly, I agree to clock in/ out daily (including lunches) as required.
Should I not be able to do so, I will immediately notify my supervisor via email to make needed adjustments.

I will ensure my timecard is accurate, approved and submitted to payroll on time for processing.

If salaried, I agree to ensure that my timecard is accurate, approved and submitted to payroll on time for processing when I have PTO recorded.

If manager/Timecard Approver:
I will ensure that I review timecards on a frequent schedule to ensure they are correct, and all necessary edits and approvals are completed and submitted to payroll on time for processing.

I know that if I have any questions on the meaning of, how to comply, etc. regarding the policy I can contact Human Resources directly for assistance.

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Full Name   Date