

GENERAL INSTRUCTION MANUAL**ISSUING
ORG.**

ACCOUNTING POLICIES & SYSTEMS DEPARTMENT

ISSUE DATE
08-31-10**REPLACES**
06-28-06**SUBJECT**AREA PAYROLL REPRESENTATIVES - DUTIES AND
RESPONSIBILITIES**APPROVAL**
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CONTENT: This instruction summarizes the duties and responsibilities of Area Payroll Representatives, including, but not limited to, general payroll-related inquiries from employees and retirees, controlling, receiving and distribution of checks to employees and retirees.

The text of this instruction includes:

1. Glossary
2. Duties and Responsibilities
3. Area Payroll Representatives Assignments

1. GLOSSARY:1.1. ABBREVIATIONS & ACRONYMS

AI	Accounting Instruction
AP&SD	Accounting Policies & Systems Department
BOD	Banking Operations Division/TSD
TSD	Treasury Services Dept.
GI	General Instruction
PD	Payroll Division
PDE	Payroll Data Entry
PPU	Payroll Processing Unit
SRTP	Saudi Riyal Thrift Plan
PBP&RU	Payroll Benefits, Payments & Reconciliation Unit/PD
OAD	Operations Accounting Department

1.2 FORMS USED

SA-170	Request for Participation in the Direct Deposit of the Dollar Payroll System
SA-6319	Direct Deposit Distribution Request
SA-7565	Saudi Riyal Thrift Plan
SA-8320	Lost Check Statement

1.3 REFERENCE TO OTHER GI

270.002	Directory of Payroll Related Questions
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1.4 SAP TRANSACTIONS

ZH1513 - HOFs Repayments Approval Application
ZH0648 - Employee Query Report

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2 of 7**2. DUTIES AND RESPONSIBILITIES:****2.1. AREA PAYROLL REPRESENTATIVES OFFICES LOCATIONS**

Area Payroll Representatives have been designated by the Finance Organization in major core areas, such as, Ras Tanura, Abqaiq, Riyadh, Jeddah, and Yanbu. Area Payroll Representatives have also been designated by other Saudi Aramco organizations in areas other than those mentioned to serve their employees.

2.2. AREA PAYROLL REPRESENTATIVES' RESPONSIBILITIES

Area Payroll Representatives are mainly responsible for: 1) assisting employees with their payroll and benefits-related inquiries; 2) providing them guidance and assistance in completing their online transactions at HR Online or the Corporate Portal; and 3) controlling, receiving and distribution of checks to employees and retirees.

2.3. HANDLING OF BLANK FORMS AND ONLINE TRANSACTIONS

Area Payroll Representatives must be familiar with the Company forms used, manually or online, to assist employees' and retirees' with completing their payroll- and benefits-related transactions. Area Payroll Representatives must ensure adequacy of printed forms, and safe keeping of completed forms and supporting documentation.

2.3.1. The Area Payroll Representatives shall, when necessary, assist employees in processing online transactions, and ensuring that the employee's intent is being satisfied.

2.3.2. When an employee wishes to make an SRTP withdrawal or a loan request, change thrift plan options, and lump sum repayment (partial or full) of loan & withdrawal, the employee should access HR online – My personal info.- Saudi Riyal Thrift Plan (SRTP) and choose the appropriate activity.

- a) SRTP withdrawal requests for retirees through form SA-7565 should be processed by the Area Payroll Representative by verifying the employee's identification (ID) card.

Note: Saudi Arab retirees who have left their assets for investment purposes may request 4 withdrawals within a period of 365 days from the first withdrawal. The 5th withdrawal request from retirees within 365 days is considered the final withdrawal of the full balance and the account is closed.

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b) Home Loan Lump Sum Repayment:

- Employee will present his Saudi Aramco ID to Area Payroll Representative who will make a copy of online Repayment Inquiry-Summary, Full Lump Repay-Estimate and Full Lump repayment Signature Screen.
- Employee will sign the Full Lump Repayment Signature Screen print.
- The original copy of Full Lump Repayment Signature Screen request is given to employee for repayment in the designated Saudi Aramco bank accounts.
- Employee sends the bank deposit slip and supporting documentation on the same day to BOD/TSD T-4C, Dhahran or fax the same to (03) 873-6991 or (03) 873-6992 or (03) 873-3153.
- PBP&RU will verify the PRH transaction through SAP transaction ZH1513 on a daily basis for updating the HOFs system by approving or rejecting the transaction and to reduce the loan balance.

c) Legal Agent Repayments: (Legally appointed third party other than employee who will repay the Home Loan balance on behalf of employee.) Payroll representative is required to:

- Make copy of the Power of Attorney approved by the court.
- Make copy of the legal agent Government ID.
- Compare the two documents.
- The Legal Representative sends the bank deposit slip and any supporting documents to BOD/TSD T-4C or faxes same to (03) 873-6991, (03) 873-6992, (03) 873-3153 or e-fax (03) 874-4444 Ext. 889889.

d) The Direct Deposit Distribution Request Form SA-6319 should be reviewed by the Area Payroll Representative for accuracy and validity. The forms should be sent to PPU/PD for entry into SAP payroll system. The participation in the Direct Deposit of the Dollar Payroll System, Form SA-170 and the Direct Deposit Distribution Request Form SA-6319 should be sent to PPU/PD.

Note: Forms SA-6319 and SA-170 should be supported by the bank account number identification and a copy of the ID card.

e) In the case of a lost check, a replacement can be obtained upon request from the concerned employee.

- For lost paychecks or other than payroll checks, the Employee must prepare Form SA-8320.
- SRTP lost checks replacement request must be forwarded to PBP&RU.

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- After investigating, and if found legitimate, the Area Payroll Representative then forwards the completed Form SA-8320 to PD for the issuance of a replacement. Replacement check is normally prepared only after the TSD receiving the confirmation from the concerned bank on the stop payment request placed with them.

2.4. CONTROL AND DISPOSITION OF CHECKS

2.4.1. Several types of checks are received and distributed through the Area Payroll Representatives.

2.4.2. Payroll checks: These include paychecks as well as travel allowances, vacation prepayments, thrift plan withdrawals and loans, and final settlement payments.

2.4.3. Home ownership: This includes checks for home loans.

2.5. RECEIVING/DISTRIBUTION PROCEDURES

The receiving and distribution procedures applicable to checks are as follows:

2.5.1. All checks received are verified against the accompanying transmittal to ensure that the correct checks are included as listed on the transmittal. In case of discrepancy, the Area Payroll Representative should immediately notify the sender by phone and note the discrepancy on the accompanying transmittal.

2.5.2. Checks are segregated by payment type when received. Paychecks are sorted by organization code and in employee number sequence to facilitate distribution to the organizations' authorized representative who comes for pick-up.

2.5.3. During working hours, checks are kept ready for distribution in a secure place accessible only to the Area Payroll Representative.

2.5.4. A log is maintained to record the check number, employee number and signature of the individual receiving the checks.

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2.5.5. At the end of each working day, a reconciliation of undistributed checks is performed. Then, all of these undistributed checks are locked in a fireproof safe.

2.5.5.1. In case of discrepancy, the Area Payroll Representative immediately contacts the employee whose check is missing, to inquire whether he/she has already received the check. If not, or he cannot locate the check, the Area Payroll Representative fills in Form SA-8320 and sends to Payroll Office/PD/OAD, for necessary action.

2.5.6. Checks received that cannot be distributed for any reason are returned periodically with a transmittal to PD/OAD in Dhahran. Copies of transmittals are retained by the Area Payroll Representative as an audit trail.

2.5.6.1. After six months, an undistributed check becomes "stale" and the Area Payroll Representative should return the check to the issuing organization for replacement or cancellation, and credit to unclaimed accounts maintained by PD/OAD.

2.5.6.2. At the end of each month, the Area Payroll Representative faxes a list of all undelivered payroll checks to PPU/PD/OAD, SRTP checks' list to Supervisor, PBP&RU/PD/OAD and all other checks' list to Supervisor.

2.5.7. Checks are released only to the payee or to an authorized representative of the payee. A list of authorizations is maintained for each organization in the area payroll. This listing shows specimen signature and badge number for each designated recipient.

2.5.7.1. An authority delegation letter is necessary to authorize a representative to pick up checks for departments, vendors, and contractors. Changes in delegations require a new delegation letter.

2.5.7.2. Final settlement checks are released only to terminating employees and retirees. The Area Payroll Representative ensures that the Departure Clearance is complete before releasing the final attested settlement check. The payee is required to sign the copy of the check.

2.5.7.3. Prior to releasing the check, the Area Payroll Representative should access the SAP-CRM system to check the Departure Clearance and the PDE system screen transaction ZH0648-Employee Query Report to ensure that no outstanding charges are due from the concerned employee. If charges exist, the terminating employee should be instructed to pay the amount into a designated bank account, based on a format letter from the area Payroll Representative, and obtain a

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Cash Deposit Receipt from the bank. The Cash Deposit Receipt and format letter are forwarded to the BOD/TSD by the Area Payroll Representative. Copies of same should also be attached to the original signed copy of the final settlement check. A copy of the final settlement check is sent to Area Personnel under a transmittal for filing in the employee's Personal folder.

2.5.7.4. Any Saudi Aramco employee picking up his/her check must present a Saudi Aramco ID card and sign the log, acknowledging the receipt of the check.

2.5.7.5. Paychecks for active employees who have been assigned mailboxes are handed over, along with a transmittal, to the respective Mail Center for distribution.

2.6. HANDLING PAYROLL AND EMPLOYEE BENEFITS RELATED INQUIRIES

The Area Payroll Representatives handle all inquiries according to the instructions listed in GI No. 270.002:

2.6.1. The Area Payroll Representative remains current on all documentation, forms, manuals, and procedures related to his responsibilities. He maintains contact with key PD/OAD staff members and calls them when necessary to resolve questions and problems.

2.6.2. Inquiries related to payments, deductions, time reporting, SRTP balances, and missing checks constitute the most frequent kinds of problems to be resolved by the Area Payroll Representative. Complicated or unusual inquiries are either referred to the appropriate Payroll Unit in Dhahran or the Area Payroll Representative answers them after consulting with the concerned staff in Dhahran.

3. AREA PAYROLL REPRESENTATIVES ASSIGNMENTS:

Area Payroll Representatives are designated by the Finance Organization in certain areas; however, in other areas such assignments are organized through the staff members of non-Finance organizations. Existing assignments are as follows:

3.1 FINANCE DESIGNATED AREA PAYROLL REPRESENTATIVES

Currently Finance designated Area Payroll Representatives are assigned to the following areas:

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AREA	LOCATION	TEL NO	REPORTING TO
Ras Tanura	Room 20, South Admin. Bldg.	673-0535 673-2857	Payroll Division
Abqaiq	Room 159, West Admin. Bldg.	574-4237 572-4171	Payroll Division
Riyadh	Room 10A, Bldg.305	(01) 285-2921 (01) 285-2920	Payroll Division
Jeddah	Room MA-0059A, Mosadia Bldg. WJ-002	(02) 427-1219 (02) 427-1877 (02) 427-1207	Payroll Division
Yanbu	Room 168, Yanbu Admin. Bldg.	(04) 397-8016 (04) 397-8018	Payroll Division

3.2 OTHER ORGANIZATIONS DESIGNATED AREA PAYROLL REPRESENTATIVES

Organizations not supported by Finance Areas Payroll Representatives may assign internally-authorized designated payroll representative to perform peripheral payroll and benefits-related activities, including, but not limited to, pick-up and distribution of checks, and delivery of completed payroll and benefits-related forms.

Approved: **Original Approved by R.A. Krygsman**

R.A. Krygsman, Manager

Accounting Policies & Systems Department

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