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STATE OF NEVADA

SHARON P. MURPHY
Director

DEPARTMENT OF PERSONNEL
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MEMO PERD #15-2.97
April 4, 1997

MEMORANDUM

TO: All Department Heads and Division Heads

FROM: Sharon P. Murphy, Director
Department of Personnel

SUBJECT: DEPARTMENT OF PERSONNEL'S 1996 PAYROLL AUDIT

In response to the Legislative Counsel Bureau's 1996 Payroll Audit, the Department of Personnel is implementing several changes which may affect your department. As many of these changes will occur in the coming weeks, the following overview may be helpful in assessing their impact on your agency and staff.

During the audit, it became apparent there was a lack of consistency in regards to compensating employees for situations requiring shift differential, call back, shift differential overtime and standby pay. To rectify the situation, the Department of Personnel is proposing regulation changes which clarify the conditions under which these premium pay types are used. These regulations will be presented to the Personnel Commission on April 25, 1997 for approval. A copy of the proposed regulations have been sent to you for your review.

To assist you in monitoring the leave and time accounting for your employees, we have also developed an automated Central Payroll report which lists all employees in your department (by division) who receive premium pay which is 33% greater than their base pay or meet certain reporting criteria relative to standby or call back pay. Although this list is not intended to imply the pay status of these employees is incorrect, it does provide you and your staff an opportunity to evaluate areas such as excess overtime, call back, standby and shift differential usage. This report will be distributed to each division chief and pay clerk on a biweekly basis and to department heads on a quarterly basis. If no employees in your department meet the pay status criteria, the report will not be distributed to your department for that reporting period.

In follow up to the regulation changes and distribution of the new report, ongoing training will be provided to agency payroll clerks to ensure these pay categories are applied in accordance with the regulations and recorded accurately on employees' BTA's. Central Payroll's BTA form will also be revised to conform to the additional information required by the new regulations.

Additionally, the proposed regulations delineate the supervisor's responsibility for reviewing subordinates' time sheets and certifying the accuracy of all hours worked and leave used. Agencies are encouraged to include supervisors' heightened responsibilities for reviewing and approving time sheets in their work performance standards and to evaluate their performance accordingly. The Department will be offering additional training specifically designed for supervisors. It will cover their responsibility in this area and provide clarification to the rules as well as complex time reporting situations.

In closing, we look forward to working with you and your staff. Your assistance in informing your supervisors, pay clerks and employees of required payroll procedures and emphasizing the importance of accurately reporting time worked is a key step in the successful implementation of these changes. If you have any questions concerning these new procedures, please contact Judy Holt at 687-3952.

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Attachment: PXPP307A (33%) Report