

Payroll

- A personnel action/change form will be completed by the Executive Director for all new employees and changes in pay rates.
- The Human Resource Coordinator will be responsible for ensuring that all new employees complete the forms required by the County Human Resources Department. The H. R. Coordinator will also be responsible for making sure the employees receive and read all required personnel policies, insurance/benefit information, and union information, if applicable.
- All employees will comply with the agency personnel policies and additional policies as so implemented by the Executive Director.
- Employees, as directed by the Financial Department will maintain payroll period time, activity, and time bank reports.
- Each time and activity sheet must contain the employee and the supervisor's signature.
- Time and activity sheets are forwarded to the Financial Department in accordance with the County payroll processing schedule. The County currently issues payroll on the 10th and 25th of each month. The H.R. Coordinator is responsible for issuing notification of each period due date.
- The Financial Department enters the time information into the County payroll system. The H.R. Coordinator reviews the employee time banks to verify the County records reconcile with the Department's internal records. Adjustments to the official time records of the County are entered by the Staff Accountant.
- The County prepares and forwards all necessary payroll reports to the Department. Each report will be reviewed for accuracy upon receipt. All payroll reports should be treated as confidential information and filed in a secured location not available to the public.
- The H.R. Coordinator picks up the checks/direct deposit notification from the County Auditor no later than 9:00 on the pay date.
- The H.R. Coordinator prepares the checks for delivery. The employee(s) picking up the checks is required to sign for them.
- The County is responsible for all tax deposits and year end IRS reporting.
- The Staff Accountant allocates the wage and salaries and fringes per the activity reports for branch staff or by the calculated allocations for managers and support staff by the Director. A payroll allocation journal voucher is prepared for each pay period and posted to the general ledger by the deadline stated in the Staff Accountant's job description. Changes to that due date must be approved by the Director of Finance.
- The general ledger payroll expenses are compared to the cash transfer made by the County at the time the bank reconciliation is prepared. Any discrepancies are resolved with the County Treasurer.

Accruals Register Corrections

1. When there is a discrepancy in the Accruals Register, the H.R. Coordinator will give a correction notice form from the Staff Accountant.
2. The correction form will contact the following data:
 - a. Employee Name
 - b. Employee ID number
 - c. Employee hire Date
 - d. Category of the discrepancy, i.e., Comp Time, Reserved Sick, Sick/Personal, and Vacation
 - e. Hours listed on the Accruals Register
 - f. What the corrected hours should read
3. The H.R. Coordinator will date stamp the form before giving it to the Staff Accountant.
4. The Staff Accountant should submit the corrections to Payroll within a week of receiving the correction form.
5. The Staff Accountant enter put the date on the correction form was submitted to Payroll.
6. The Staff Accountant will provide a copy of the correction form to the H.R. Coordinator with her signature once the correction has been submitted to Payroll.
7. The H.R. Coordinator will put the signed copy of the form in the employee's timesheet folder.
8. The H. R. Coordinator will verify that the correction has been implemented on the following pay period Accruals Register.

ACCRUALS REGISTER CORRECTION FORM						
Name	EE#	Hire Date	Category	Accruals Register	Correction Should Read	Date Submitted to Payroll
Jane Doe	20020000	01/01/01	Resv Sick	21.50	15.00	

Cost Allocation Plan

The Kane County Department of Employment and Education is the administrative entity and fiscal agent for the WIA Title IB Funds in the workforce investment area known as LWIA 5. LWIA 5 is a three county area encompassing Kane, DeKalb, and Kendall counties. Kane County has been designated as the "lead" county and grant recipient for LWIA 5 through an interlocal agreement between the CLEO's of the three counties. As such, Kane County accepts all liability arising from the management of the WIA Title IB grant allocation.

In addition to the above mentioned roles, KCDEE also works with the local workforce investment board. In LWIA 5, this board is called the River Valley WIB. The board is composed of private and public sector members of the three county area. This board has oversight of the three one-stop centers in LWIA 5, and determines the local policy decisions needed to be implemented under the Workforce Investment Act.

KCDEE also acts as the administrative entity, fiscal agent and grant recipient for several other state and federal grants. Such grants include the Trade Adjustment Assistance grant, High Speed Internet grant, and various supportive service grants through the Department of Human Services.

Accounting System and Chart of Accounts

KCDEE utilized the MIP computerized fund accounting software. Revenue and expenditures are recorded in compliance with GAAP, and OMB circular A-87, Cost Principles for State, Local and Indian Tribal Governments. The following are the accounting segments used to record costs and revenue.

- Fund
- General Ledger classification
- Branch
- Cost Category

Branch coding is used to maintain reportable expenditures by one-stop and county location. The current Char of Accounts is attached. See Appendix

Indirect Costs

KCDEE does not have an indirect cost rat plan approved by the federal government, and does not use an indirect cost rate in its accounting practices.

Schedule of Revenues

Please see Appendix 1 for the schedule of grants, allocations and grant duration that are administered by KCDEE.

Cost Pools

KCDEE's accounting policy is to directly charge the cost objective for expenditures that are clearly defined. Such costs include administrative and WIB expenses as defined by WIA laws and policies, staff and related costs that are performing 100% of their duties for a specific cost objective. When the law does not define it, direct coding is support by activity sheets or other such documentation.

Cost which are incurred and benefit multiple cost objectives are charged to a pool and then allocated to the related cost objectives. KCDEE utilizes two cost pools. They are:

1. Operating Pool
 - Program staff travel
 - Program staff supplies
2. Space Pool
 - telephone
 - data lines
 - branch office equipment
 - rent, if applicable
 - disposal/recycle/trash removal

These pools are treated as funds and are fully allocated to the cost objectives.

Allocation Basis

The traditional base for the Space and Utilities pools would be on a cost per square foot basis. This method was not used due to fluctuating space plans, constant staff turnover and dynamic costs. Space and utility costs only apply at the One-Stop locations as they related to the negotiated leases. In lieu of cost per square foot, staff time was used as the allocation base for all three pools. The use of staff time by funding stream and cost category more accurately reflects the way expenditures should be charged to the cost objectives, and provides a consistent method of application.

Methodology

Each pay period, individual staff costs are coded directly to the related cost objective expense per the authorized activity sheet. KCDEE is on a bi-monthly pay cycle. After all the individual data is coded, a summary of each location/branch is created for that pay period. Each monthly's activity is then summarized by locations, and at the end of each quarter, the three months summary is used to create allocation percentages by location. All work is documented and maintained via excel spreadsheets. Please see the Cost Pool allocation folder for complete work and documentation.

Allocation Schedule

The cost pools are allocated on a quarterly basis for the following reasons:

1. Quarterly analysis smoothes variances on a monthly basis, and serves concurrently as a modification process.
2. The value of these pools is not material enough to warrant the intensive staff time needed to perform the allocations on a monthly basis.

In order to provide monthly reporting updates to the state grant reporting system, allocation estimates based on current payroll analysis are made by funding stream. The grant reporting system is adjusted to actual at the end of each allocation period. Documentation of the monthly expense reporting to the GRS is maintained in the files.

Summary

KCDEE has implemented its cost allocation plan in accordance with OMB Circular A-87, and ASMB C-10.