

## PROCEDURE

---

**Series:** **Fiscal Management** **COA: FIN 8**  
**CFOP: 15-7**

**Procedure Name:** Payroll Payment Processing  
**Procedure Number:** FM205  
**Reviewed Date:** 2/22/13, 10/23/15, 08/11/2020  
**Revision #/Date:** (1) 2/10/09  
**Effective Date:** 08/1/04

**Applicable to:** All Family of Agency Staff

---

**SUBJECT:** Payroll Payment Processing

**PURPOSE:** To process payroll through sound payroll practices to comply with federal and state wage and hour laws.

**PROCEDURE:**

**References**

Policies/Procedures: GOV-202, GOV-208, RQ-504, CM-101

Fair Labor Standards Act (FLSA)

Non-Exempt Time Sheet

**Definition**

The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.

- A. Payroll payment processing will be completed as outlined in Flow Chart# 50 – Payroll Payment Processing.
- B. A separate bank account for payroll is not maintained.
- C. The agencies contract with a PEO (Professional Employer Organization) to provide specific services to the agencies including the processing of payroll, calculation and filing of taxes and the preparation of year end W-2's for all employees. This arrangement establishes a three-way relationship between the agencies, the employee and the PEO. The PEO and the agencies are considered co-employers and the employees are considered "leased employees." This allows the PEO to provide various benefit programs, administration of some programs and payroll processing for the agencies. Certain employment related liabilities are shared as a result of this arrangement. The PEO takes responsibility for certain HR administration (COBRA Election Notices, FMLA forms and notice requirements, processing of the tuition reimbursement programs, etc.) and compliance, for which the



**Brevard Family  
Partnership**



**Brevard C.A.R.E.S.**



**Family Allies**

PEO charges a fee. The employees continue to work at the various agency locations and the agencies exercise control over the business.

- D. Due to the contractual relationship described in Section C, the agencies do not perform an annual reconciliation of gross pay, FICA withheld and employer FICA with the W-2's. All W-2's are prepared, reconciled and mailed to each employee's home address by the PEO.

BY DIRECTION OF THE CHIEF EXECUTIVE  
OFFICER:

A handwritten signature in blue ink that reads "Philip J. Scarcelli".

---

PHILIP J. SCARPELLI  
Chief Executive Officer  
Brevard Family Partnership Family of Agencies

APPROVAL DATE: 8/27/2020