

April 6, 2022

TO: Town of Fredenberg Board Supervisors

FROM: Ellen Hanson, Town Clerk

RE: Payroll Processing Changes

- It is the recommendation from Minnesota Association of Townships (MAT) to change payroll processing if the town is only processing payroll once per month.
- Why? It is Minnesota State Statute and Federal Statute that employers must pay employees their full wages on time every 31 days.
 - There are criminal penalties and fines for not adhering to the law.
 - Employees can file complaints against their employers for not adhering to the law.

The best practice for payroll processing is every two weeks.

- It is suggested the town move to payroll processing on the second and fourth Wednesday of the month.
- Payroll will be processed for employees on the second and fourth Wednesday of the month while elected official's payroll will be processed the second Wednesday of the month only. Elected officials are not employees. If a supervisor is performing work for the township, they are considered an employee for that work.
- Payroll is not approved by the Board and therefore no meeting is necessary to pay employees.
- It is recommended by MAT, Steve Fenske, to ignore the three-signature rule for payroll checks. The Treasurer and Clerk will sign off on all payroll checks.
- Net pay reports will be presented to the Board at the regular meetings for Board signatures.
- Employee's delinquent in submitting their timesheets in a timely manner may be subjected to disciplinary action. The supervisor will need to take corrective action to resolve this issue. It is the responsibility and a job duty of the employee to submit timely timesheets.

The new payroll process will begin on Wednesday April 13, 2022. Employees are being paid on April 6 for their March hours. At this point, the town is over the 31-day threshold by 7 days and it will be even longer because checks are mailed.

Since the payroll process is changing, I thought it would be time to redesign the town's timesheet. I have attached a copy of it with a sample of entries. There are a couple of significant differences with this timesheet. First, please notice the description field. Employees should fill in as much information as appropriate to describe the work performed on that particular day. Second, supervisors need to approve timesheets for the employees they supervise. The timesheets can be scanned and sent to supervisors for approval. Supervisors can sign at the Board meetings. This is a recommendation from MAT.

- Timesheets are submitted on the second and fourth Wednesday of the month.
- Elected officials' payroll will be processed the second Wednesday of the month.
- The Clerk or Treasurer will scan and send via email to employee supervisor on the following Thursday.
- Supervisor will either approve timesheet as submitted or make adjustments to the timesheet and email back the Clerk or Treasurer the results.
- The Clerk or Treasurer will contact employees and notify Supervisors if timesheets are not submitted on the due date.
- The Clerk or Treasurer will process the payroll on Thursday.
- Payroll checks will be mailed out on the second and fourth Thursday of the month.

Town of Fredenberg

5104 Fish Lake Rd.
Duluth, MN 55803

(ph) 218-721-3991
Email: fredenbergtwp@gmail.com

TIME SHEETS ARE DUE ON THE 2ND & 4TH WEDNESDAY OF THE MONTH

Time Sheet

Employee	Address	Date Submitted
Ellen Hanson	6083 Lakewood Road, Duluth MN 55804	

Date	Budget	Detailed Description: Use as many lines a necessary	Time Start	Time End	Hours	Stipend/ Hourly Wage/Salary	Total: Treasurer will complete
4/3/2022	100	Claims, Board meeting prep	11:00 AM	5:30 PM	6.50		
4/4/2022	100	Board meeting prep, website update	12:00 PM	5:30 PM	5.50		
4/6/2022	100	Board meeting stipend				80.00	

	Subtotal	12.00	80.00
	Total Due		

My signature certifies: I have complied with Fredenberg Township policy. My hours are true and correct.

Employee Signature: _____ Date: _____

Approved by: _____ Date: _____