



## CITY OF PROVIDENCE

### 4.10 PAY SCHEDULE/DEDUCTIONS POLICY

#### Purpose

This policy establishes the standard payroll schedule and outlines the types of deductions that may be applied to employee wages in accordance with federal and state law, collective bargaining agreements, and City regulations. The goal is to ensure that employees are paid accurately and on time, and that payroll deductions are administered in a fair and compliant manner.

#### Scope

This policy applies to all full-time or part-time employees of the City of Providence

Nothing in this policy shall supersede, modify, or diminish any rights, benefits, or obligations contained within applicable collective bargaining agreements (CBAs) or laws. In the event of a conflict, between this policy and a CBA, the CBA shall prevail for covered employees. For all other employees not covered by a CBA, this policy shall govern.

#### Policy

##### 1. Pay Schedule

###### A. **Pay Frequency:**

Full-time employees of the City are paid on a biweekly basis every other Friday, unless otherwise provided for by a collective bargaining agreement, alternative payment arrangement such as temporary employees or other City agency, or state law. If a scheduled pay date falls on a recognized City holiday or a banking holiday, paychecks will be issued on the preceding business day.

###### B. **Pay Period:**

Each pay period begins on a Sunday and ends on a Saturday. Hours worked, leave used, and other payroll adjustments must be submitted by departments in accordance with payroll submission deadlines. Federal and state laws require that time records be maintained for hourly employees.

###### C. **Hours Worked:**

Actual hours worked are recorded by the employees and are certified in departmental processes, and overall, by the department director. Individual departments will maintain records on such matters as attendance, vacation eligibility/usage, and sick time.

###### D. **Payroll submissions:**

Salaried employees complete biweekly payroll submissions to enter used accruals such as vacation, sick time or approved leaves of absence.

###### E. **Record accuracy:**

Falsification of time records is cause for disciplinary action, which may include suspension and/or termination of employment. Refer to the Theft and Misappropriation Policy for more information.

##### 2. Method of Payment:

A. Non-union employees are required to participate in direct deposit, which allows their pay to be electronically deposited into one or more financial institutions. Employees will receive a physical paycheck for their first paycheck, which may be mailed or distributed in person, then going forward all paychecks will be direct deposit.

B. Union employees are paid either through direct deposit or through a physical paycheck contingent upon their election and in compliance with the applicable bargaining agreement.



## CITY OF PROVIDENCE

### 3. Payroll Deductions

The City is authorized to make the following deductions from an employee's paycheck:

#### A. **Mandatory Deductions:**

##### 1. **Federal Withholding Tax**

This deduction is computed from Internal Revenue Service tax tables, based on marital status and the number of exemptions claimed on Form W-4. Employees can update the withholding form by contacting the payroll department.

##### 2. **FICA**

This deduction is computed at the rate prescribed by law.

##### 3. **Rhode Island State Tax**

This deduction is computed from state tax tables using information from the employee's W-4 form.

##### 4. **Medicare Tax**

This deduction is calculated at the rate established by federal law and is required for all employees. There is no wage limit for Medicare tax, and all covered earnings are subject to deduction.

##### 5. **City Pension Contribution**

Employees who are eligible for the City's pension plan are required to contribute a fixed percentage (8%) of their wages, as defined by the applicable collective bargaining agreement or city ordinance. These contributions are deducted for each pay period and are mandatory for eligible employees. The City also contributes to the pension fund in accordance with plan requirements.

#### B. **Court-Ordered Deductions**

1. Deductions mandated by court order or legal authority. These include, but are not limited to, wage garnishments, child support payments, and federal or state tax levies.
2. The Treasury and Payroll Departments are legally obligated to process these deductions in accordance with the terms specified in the order. Deductions will continue until the City receives official notification to modify or terminate the order. Employees will be notified when such deductions are initiated.

#### C. **Voluntary Deductions**-With written authorization from the employee, the City may deduct for:

##### 1. **Health, Dental, and Vision Insurance Premiums**

Employees who are eligible and elect coverage through the City's health, dental, or vision insurance plans or other voluntary benefits, will have premium contributions deducted from their pay on a regular basis. The amount deducted is based on the coverage selected and applicable collective bargaining agreements or benefit policies. Examples of voluntary benefits include, Flexible Spending Accounts (FSAs), life insurance, short term disability, legal services. Employees may only modify or cancel voluntary deductions according to plan guidelines and during designated open enrollment periods.

##### 2. **Union Dues or Agency Fees**

For employees represented by a union, union dues or agency fees will be deducted from each paycheck in accordance with the applicable collective bargaining agreement and authorization forms. Questions about dues amounts should be directed to the respective union.

##### 3. **Pension Loan Repayments**

Employees who have taken a loan from their City pension plan are required to repay the loan through automatic payroll deductions. Repayment terms, including the deduction amount and duration, are



## CITY OF PROVIDENCE

determined at the time the loan is issued and in accordance with the rules of the pension plan. Deductions will continue until the loan is fully repaid or otherwise satisfied under the terms of the loan agreement. Employees are encouraged to contact the Retirement Office for more information.

### 4. **Deferred Compensation**

The City offers various deferred compensation plans applicable to specific employee groups (i.e., bargaining group, union, non-union, etc.), including but not limited to 457b, Roth 457, College Unbound, and other plans. Employees that meet the criteria for these plans may elect to enroll. It is expected that employees will be aware of and understand the contributions and/or deductions that will be applied to their paycheck. Employees should contact the Department of People and Culture – Total Rewards for more information.

### 5. **Employee Responsibilities**

Employees are responsible for:

- A. Reviewing their pay statements for accuracy.
- B. Notifying Department of People and Culture (DPC) or Payroll of any changes to their tax status, deductions, or direct deposit information.
- C. Reporting any errors in pay or deductions immediately.
- D. Maintaining current address and banking information.

### 6. **Payroll Errors and Corrections**

- A. The City will make every effort to ensure accurate and timely payment of wages. If a payroll error occurs, whether overpayment or underpayment, it will be corrected as soon as practical.
- B. Employees must cooperate with the City in rectifying such errors, including making arrangements for repayment of overpaid amounts in accordance with Rhode Island labor laws.

### 7. **Confidentiality**

Payroll information is confidential. Access is limited to authorized personnel in DPC, Payroll, and Finance. Employees are not permitted to access or share the pay information of others unless legally authorized.

### 7. **Compliance**

Failure to follow payroll deadlines, misrepresentation of time worked, or falsification of payroll records may result in disciplinary action, up to and including termination. The City reserves the right to audit payroll records and investigate any suspected violations.

### **Related Policies:**

Attendance Notification Policy  
Theft and Misappropriation Policy  
Out of Rank Compensation  
Paid Time Off Policy

### **Other Related Information:**

[Local 1033 Collective Bargaining Agreement](#)