

Best Practices – Meal & Break Payroll

- **Timekeeping**
 - Manual Timekeeping Environment
 - Check for employees signatures on all timecards
 - Look for 'missed punches' for meals and meals of less than 30 minutes for short meals
 - Work to ensure consistent practices with respect to reporting time, premium pay programs, and authorization
 - Automated Timekeeping Environment
 - It is recommended that the 'auto lunch' function of most timekeeping programs not be used, unless payroll can also provide documented support of all meals taken.
 - Automated timekeeping systems can be set up so that any meal taken which is less than thirty (30) minutes can be indicated on the time sheets with a mark on that day, such as an "S" for short meal.
 - Missed meals can also be indicated with a mark on the related day, such as an "M" for missed meal.
 - Keep history within your timekeeping system and ensure regular backups are made of the data. A full backup of all data is recommended.
 - All Environments
 - Provide final edit reports of timekeeping to units for final review and acknowledgement. This provides the unit staff the chance to ensure that they will be paid what they indicated through their timecards.
 - Audit timecards/edit sheets for any event where a meal is not punched out/in or there is a short meal and reconcile these events to the missed meal logs.
 - Send timecards or edit sheets back to managers when penalties appear to be missing from timekeeping.
 - Include missed meal/break log paperwork with the pay period paperwork when storing payroll records.
- **Missed Meal & Breaks Logs**
 - Work with your payroll department to determine the most appropriate method of logging missed meals and breaks
 - Sample forms are available on eTenet
 - If you have automated timekeeping, you may want to incorporate logging of missed meals/breaks with your timekeeping correction process, to make process easier for staff.
 - Review logs for completeness.
 - Check for presence of all relevant signatures

- Check that reported missed meals/breaks are logged by employees (all lines are not in the same handwriting).
- Treat blank logs submitted the same as completed logs; a record of any missed meals/breaks.
- **Payment of Meal/Break Penalties**
 - Pay all penalties to earnings code 58 (EN58)
 - Pay all penalties at the employee's base rate (EN01). This does not include any other portion of pay, including the California Differential (EN38).
 - Pay a maximum of one missed/short meal penalty per day and one missed break penalty per day, for a total maximum of two penalties per day.
 - Keep payments of other wages to earnings code 58 (EN58) to a minimum. If you are uncertain on how to pay any event, contact the payroll support desk at 888-287-3124.
 - Record penalty payments through your automated timekeeping system, if available. Automated timekeeping systems provide a per-pay period record history that does not exist in HRMSWeb. This will allow for an audit trail of when penalties are paid and how much.
 - If you need help recording penalty payments in your automated timekeeping environment, contact the payroll support desk.

Tracking Meal/Break Penalty Payments

- It is recommended that the penalties paid out are tracked on a per pay period, per department, per employee basis. See the associated worksheet as a sample tool.
- Reports of penalty payments should be submitted to Administration, Human Resources, and Unit Managers to help track and manage the cost of missed meals and breaks.