



UNIVERSITY OF HAWAII SYSTEM

TESTIMONY

SB 464 RELATING TO THE UNIVERSITY OF HAWAII

Testimony Presented Before the
Senate Committee on Higher Education &
Senate Committee on Labor

February 8, 2005

By

Sam Callejo
Vice President for Administration
University of Hawai'i System

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Chair Hee and Members of the Committee on Higher Education
Chair Kanno and Members of the Committee on Labor:

SB464 RELATING TO THE UNIVERSITY OF HAWAII

The University of Hawaii is opposed to this bill which would require that the University pay a civil penalty of \$100 for failure to pay Board of Regent appointees within one pay period following the designated pay day under the after-the-fact payroll.

The University makes every effort to ensure that all employees are paid within two pay periods after their start date. However, there are circumstances beyond our control that prevent making timely payments to all new employees. These include situations where the required paperwork is not submitted by the employee or the employee does not have a social security number. New hires are required to complete numerous personnel forms, i.e. I-9, Employment Eligibility Verification, issued by the U.S. Department of Justice, Immigration and Naturalization Service. Late submission of these forms, would delay personnel authorization required to process payment. New employees who are not U.S. citizens and do not have social security numbers cannot apply for an account number until they are physically in-country. Employees from foreign countries often wait several months before receiving a social security number. Without a social security number, the Department of Accounting and General Services will not process the paycheck.

Additionally, the University must adhere to strict payroll submittal deadlines set by the State Payroll Office of the Department of Accounting and General Services. For example, "An After-the-Fact" new hire with a start date of January 1, 2005, would receive his first paycheck on February 4, 2005, if all the required information (required of the employee, their personnel officer, and UH Payroll office) were made available to DAGS by 4:00 pm on January 4, 2005.

Inasmuch as there are many variables, over which the University has no control, this measure would unduly penalize the University.

The university opposes this bill and requests that this bill be held. Thank you for the opportunity to testify.