

Payroll Advances Policy



1. POLICY

- In order to deal with unforeseen financial emergencies, employees may apply for a pay advance on wages that have been earned but not yet paid to a maximum of [two (2)] times each calendar year.
- Prior to receiving their first pay cheque, new employees may apply for a pay advance after working at least [**five (5)**]
- The amount of the pay advance will be calculated based on unpaid base wages earned to the end of the shift on the day of the request (exclusive of any overtime, commissions or bonus) and reduced by the amount of the regular employee deductions, including, without limitation, pay withholdings for employment insurance premiums, CPP contributions, income tax, and employee contributions to applicable group insurance and benefit plans, if any. If specifically requested in writing by the employee, vacation pay earned to the date of the request but not yet paid may be included in a pay advance. The pay advance will be subject to all regular deductions applicable to an employee's normal
- Before payment the [**General Manager**] must approve in writing all pay advances.
- The employee must sign a document acknowledging that the amount of pay advance will not be included in the employee's next regular pay prior to the issuance of a pay advance.

2. PURPOSE

- Prior to the regular payday, to assist employees in dealing with unforeseen financial emergencies employees can access earned but unpaid wages is the purpose of this policy.

3. SCOPE

- This policy applies to all employees.

4. RESPONSIBILITY

- It is the employee's responsibility to submit a request for a pay advance in writing to his or her supervisor at least [**two (2)**] business days prior to

requiring the funds.

- The supervisor must obtain the approval of the [General Manager] to issue the pay advance prior to any advance being issued.
- The supervisor shall ensure the employee signs the appropriate document if the pay advance is approved which acknowledges:
 - The pay advance amount;
 - The next regular payday will not have the pay advance amount included in it. Prior to issuing the pay advance, all documents must be in place and executed.
- In coordination with the Payroll Department, the supervisor of an employee is responsible for calculating and determining the amount of the payroll advance available to an employee with regard:
 - to the appropriate wages or salary earned but not yet paid;
 - the applicable deductions; and
 - if the employee asks to include vacation pay earned but not yet paid in payroll advances, the amount of vacation pay earned but not yet paid as of the date of the request of the payroll advance.
- The supervisor must obtain the approval of the [General Manager] prior to payroll advances being issued.
- The supervisor shall ensure the employee signs the appropriate documentation if the payroll advance is approved and which acknowledges that:
 - the amount of the payroll advance; and
 - the next employee regular pay day shall not include the payroll advance.

Prior to issuing pay advances, documents in relation to advances must be received.

- Up-to-date and accurate records shall be maintained by the Payroll Department to ensure that employees who receive a payroll advance are not compensated twice for the same work periods.

5. DEFINITIONS

- **“Wages”** includes the base wages or salary earned for time worked up to the end of shift on the date of the pay advance request, and does not include commissions, overtime, or
- **“Emergencies”** mean severe financial hardships caused by family medical emergencies, deaths in the family requiring travel, severe vehicle breakdown (not general maintenance), fire, storm damage or vandalism of home, and theft of money or wallet. Other emergencies will be considered on a case by case basis and must be circumstances beyond an employee’s In any event, any decision to grant a payroll advance is in the sole discretion of the **[General Manager]**.

6. REFERENCES and RELATED STATEMENTS of POLICY and PROCEDURE

SPP HR 3.03.BC – Pay Administration

SPP HR 4.02.BC – Vacation and Vacation Pay

7. PROCEDURE

- Pay advances are made in writing and employees must outline the reason(s) for the request for advance(s). The employee must submit a request to an immediate supervisor at least **[two (2)]** business days prior to the date when the advanced

(if any) are required.

- Employees are required to sign an acknowledgement that they have received a payroll advance and that the amount so received as a payroll advance will not be included in the employee's next regular pay.
- An employee must specifically request in writing if he or she wants vacation pay earned to be included in a pay advance request. Otherwise, vacation pay will not be included in the calculation of the payroll advance. The employee is required to sign an acknowledgement that the vacation pay is requested and paid.
- The Payroll Department shall maintain signed employee acknowledgements of pay advances or vacation pay advances for a period of a least [**six (6)**] years after the advance is issued.

8. ATTACHMENTS

None.