

STATE OF HAWAII  
Accounting Manual

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SECTION 411: PAYROLL WARRANT PREPARATION

General Comments

Actual preparation of payroll warrants is performed by the data processing center under the control of Central Payroll, DAGS. Although other departments and agencies are not actively and directly involved, a summary of the preparation procedure is presented in this section in the interest of providing users of this accounting manual with an overall view of the entire payroll system.

Legal References

The following sections of the Hawaii Revised Statutes are the statutes relating most specifically to the payroll warrant preparation procedure:

- Section 40-51: Requires (with stated exceptions) that warrants signed by the Comptroller or the Deputy Comptroller be used to withdraw money from the State treasury.
- Section 40-52: Prescribes the warrant form.
- Section 40-53: Requires (with a stated exception) that the payee of a payroll warrant be the person to whom the State is indebted; that payroll warrants be receipted for; that the payee endorse the payroll warrant; and that the Governor approve the payroll warrants of the Comptroller and the Deputy Comptroller.

Forms

The two primary forms discussed in this procedure on payroll warrant preparation are (1) the payroll WARRANT and (2) the EMPLOYEE'S EARNINGS, DEDUCTIONS, AND LEAVE STATEMENT. These forms are referred to as WARRANT and STATEMENT throughout this section and the following related sections for ease of reference.

Refer to Part 800, Appendix, for sample reports and related explanations. Both forms are printed on standard data processing punchcards.

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Warrant Preparation in Data Processing Center

Under its payroll warrant cycle, the data processing center prepares the WARRANTS and STATEMENTS required for actual payroll payment.

The payee of a payroll WARRANT must be the employee to whom the State is directly indebted, except when the employee has made an assignment of his net salary, in which case a warrant is made payable to the assignee. Where more than one employee has made such an assignment to one assignee, the amounts of the employees' net salaries are combined on a single assignment warrant made payable to the assignee and supported by a PAYROLL ASSIGNMENT REGISTER listing.

Regardless of whether a payroll WARRANT or a net salary assignment warrant is prepared, a STATEMENT is prepared for each employee's payroll payment due.

Signature

The payroll WARRANTS prepared by the data processing center are sent to Central Payroll to be signed on the 2nd work day before pay day. The WARRANTS are mechanically signed with the facsimile signature of the Comptroller (or, in his absence, the Deputy Comptroller), after which they are returned to the data processing center.

Final Preparation in Data Processing Center

Upon return of the signed WARRANTS to the data processing center, they are merged with the related STATEMENTS. The merged WARRANTS and STATEMENTS, and the STATEMENTS covering net salary assignments, are then sorted according to the payroll distribution codes assigned by the employing departments.

When the above preparation is complete (not later than the beginning of the work day immediately preceding pay day), the WARRANTS and STATEMENTS are returned to Central Payroll. After being checked against Central Payroll control records, they are held for distribution to departments and agencies.