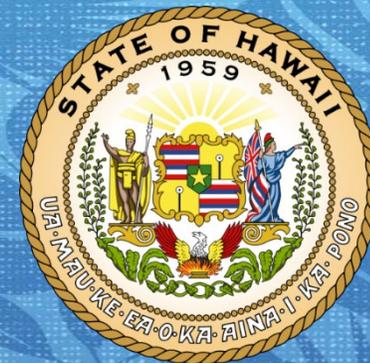




Payroll SME Meeting

♥ February 14, 2019



Department of Accounting and General Services
in coordination with the
Office of Enterprise Technology Services



TALK STORY TOPICS

Welcome to New SME's!

- Cancelling Checks and the Reversal Process
- Cancelling a Payment with a Prudential Deduction
- Statutory Dues Processing and Refunds Update
 - Central Payroll Processing Schedule
 - What are the Special Accumulators?
 - Tax Exemption for Military Spouse
- Helping your employees with their W-2 Forms
 - Payroll SME Poll for Future Topics

Welcome to New Payroll SME's!

- *If you are new to the Payroll SME Group or are a new employee, please let us know.*
- *Welcome to DAGS Central Payroll New Employees: Kristin Kurata, Dexter Lee, Tessa Zayas and Christy Yamakawa*





Cancelling Checks and The Reversal Process

1. If you have a physical check in hand that needs to be cancelled, please submit the C-53 form ([saform c-53 07-01-95](#)). Send 3 copies plus the original form along with the check to DAGS Central Payroll.
2. If all is ok, the request will be forwarded to UARB for input, validation and the release of the funds.
3. The check will then be reversed by Central Payroll on the next available off-cycle with a copy of the cancellation provided back to the department as verification of its completion.
4. If there is an audit issue, such as incomplete information or notice that the check has already been cashed (i.e. mobile deposit), the request will be returned to the department to be handled as an overpayment.



Check Cancellation Form

Example C-53 form [saform c-53 07-01-95](#) (FUND = “Payroll”)

- Employee John Aloha, HIP Payroll Check #912345678 for \$2,134.08

SFX	TC	F	YR	APP	D	SOURCE/ OBJECT	COST CENTER	PROJECT		DEPT ACT	G/L ACCT.	S/L ACCT.	REFERENCE DOCUMENT		VENDOR	
								NUMBER	PH				NUMBER	SFX	NUMBER	SFX
XX	XXX	X	XX	XXX	XX	XXXX	XXXX	XXXXXX	XX	XXX	XXX	XXXXXX	XXXXXXXXXX	XX	XXXXXXXXXX	XX
DATE CANCELLED		DATE OF CHECK		CHECK		AMOUNT		M O D	OPTIONAL DEPARTMENTAL DATA			REASON				
MM/DD/YY		MM/DD/YY		F	NUMBER	XXXXXXXXXX			XX	x (22)						

01	722	T	19	123	M	1234	123				365					
01/04/19		01/04/19		P	123456789		2,134.08		John Aloha							

- Please note the check number does not include the leading “9”
- FY is the last number added to the check number



Cancelling a Payment with a Prudential Deduction

If you need to cancel a payment to an employee with a Prudential, Deferred Compensation Deduction, please follow the below steps [also found online](#):

1. Email Prudential at [Island Savings Plan@Prudential.com](mailto:Island_Savings_Plan@Prudential.com) with a cc to Jeanne.Kanai@Prudential.com
2. The subject line should state that it is a Paycheck Recall Notice and include the employee's first and last names.
3. In the body of the email include the following information:
 - The last four digits of the SSN
 - The amount being recalled
 - The reason for the recall
4. The response should be forwarded to hip@hawaii.gov to be included with your adjustment.

Statutory Dues Processing and Refunds

- In partnership with HGEA and UPW, the “SD” statutory dues deductions are now being calculated in the system.
- All Unions are still providing files each pay period to turn on or off an employees “SD” deduction.
- If you encounter a situation where an employee is owed a refund for an “SD” deduction, you need to continue notifying the union and then submit an email to hip@hawaii.gov with the details. Please be sure to include your confirmation that the union has been notified.
- Thank you for continuing to partner with the unions when needed.



Central Payroll Processing Schedule

- DAGS Central Payroll: 3 days processing schedule between the Online PCS deadline and the next online PCS being opened
 - Batches submitted prior to the deadline may be reviewed earlier to assist with processing times.
 - To ensure payroll is processed on time, any denied entries need to be corrected and reapproved by 2:00 pm of the 1st processing day in order to be included.
 - Please be sure to break down your earnings by pay period to prevent denied entries.
 - Reminder: No Off-Cycles/Priority Pay entries can be completed during this time!



What are the Special Accumulators?

- When you are viewing an employees paycheck under Payroll for North America > Payroll Processing USA > Produce Payroll > Review Paycheck, you have access to view a section titled “Special Accumulators”
- You may need to click “view all” to see them at once”
- You will see these listed on all paychecks, even if they do not apply to that individual being paid. What they are showing you is the earnings that are eligible for different deductions.

Special Accumulators, cont.

▼ Special Accumulators Personalize Find View 8   First  1-13 of 13  Last 				
Code	Description	Hours	Earnings	Empl Record
DC1	Deferred Comp		2,067.63	0
DC2	PTS Deferred Comp		2,244.00	0
OP1	Over Payment		2,244.00	0
OPB	OPEB		2,244.00	0
RHI	Retiree Health Insurance ER		2,244.00	0
RT1	TSA DOE		2,244.00	0
RT2	TSA UH		2,244.00	0
RT3	Retirement prior 7/1/2012		2,244.00	0
RT5	Retirement after 6/30/2012		2,244.00	0
UH	UH		2,244.00	0
UI	Unemployment Accumulator		2,244.00	0
UW1	United Way		2,244.00	0
WC	Workers Comp ER		2,244.00	0

Special Accumulators, cont.

- In this example, you can see the following:
 - DC1 – This accumulator is showing the total earnings that are eligible for the Deferred Compensation Deduction.
 - DC2 – This accumulator is showing the total earnings that are eligible for the DC015, PTS Deferred Compensation Deduction.
 - RT1 and RT2 – These accumulators are specific to DOE and UH voluntary retirement contributions.
 - RT3 – This is total earnings subject to the ERS amount for employees hired prior to 7/1/2012.
 - RT5 – This is total earnings subject to the ERS amount for employees hired after 6/30/2012.

Tax Exemption for Military Spouse

- Military Spouses Residency Relief Act provides a provision for a nonresident spouse of a service member to be exempt from Hawaii state tax withholding under very specific requirements.
 - <http://files.hawaii.gov/tax/legal/tir/tir10-01.pdf>
- In order to exempt an employee from Hawaii taxes for this status, you need to ensure that you are coordinating with your HR office to meet the documentation requirements.
- Please refer to the training aide on our website: [Tax Marital Status](#)

Tax Exemption for Military Spouse, cont.

- The following forms must be in file to claim this status:
 - Form HW-4, Employee's Withholding Allowance and Status Certificate
 - Form HW-6, Employee's Statement to Employer Concerning Nonresidence in the State of Hawaii
 - A copy of the servicemember's military or naval orders assigning them to a post of duty in Hawaii.
 - A copy of the servicemember's Leave and Earning Statement indicating that the servicemember's legal residence for purposes of withholding state income taxes from military pay is a state other than Hawaii
 - A valid, unexpired military spouse identification card that identifies the cardholder as a spouse and not merely a dependent.

Tax Exemption for Military Spouse, cont.

- Please note that you must reject the Form HW-4 and withholding Hawaii income tax if these conditions are not met.
- When met the entry is completed as listed below:

The screenshot displays a web form with the following fields and options:

- State Information:**
 - *State: HI (with search icon) Hawaii
 - Resident
 - Non-Residency Statement Filed
 - *SDI Status: Exempt (dropdown menu)
 - UI Jurisdiction
 - Exempt From SUT
- State Withholding Elements:**
 - *Special Withholding Tax Status: No taxable gross; no tax taken (dropdown menu)
 - *Tax Marital Status: X (dropdown menu) Claiming exemption from withholding (text area)
 - Withholding Allowances: 0 (input field)

Helping Your Employees with their W-2 Forms

- New Resources are available online:
<http://ags.hawaii.gov/hawaiipay/for-payroll-personnel/>
- New Process to [Request a W-2C Form](#)
- How to Request a [W-2 Reprint](#)
- Examples of Common Questions at HIP
 - Home Address (Payroll Address): Coordinate with HR and encourage employees to keep up to date through ESS.
 - EUTF refunds for Terminated Employees

Payroll SME Poll for Future Topics

- We value your input and would like to hear from you!
- Please complete this poll to let us know if these meetings are helpful and to provide your ideas for improvements.
- https://docs.google.com/forms/d/e/1FAIpQLSdWYLbgNRbw4axWPEyNypd-oUT7eAFvoH4jkRcj1jCVUsX7Jw/viewform?usp=sf_link

HIP Service Center

- The HIP Service Center is staffed M – F, 7:45 am to 4:30 pm excluding state holidays.
- To reach the HIP Service Center on Oahu:



hip@hawaii.gov



(808) 201-SERV [7378]

Questions and Answers

- Mahalo for your time!

