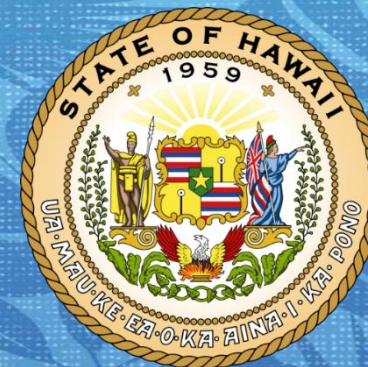




Payroll SME Meeting

May 20, 2019



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

TALK STORY TOPICS

1. Guest Speaker: Seina Rahim, American Payroll Association Hawaii Chapter
2. The Power of our Super SME's
3. State Tax Calculations-Clarification
4. Priority Pay-Lock out days
5. Reversal Requests/Priority Pay Timing
6. Query Inactive Employees being paid
7. Salary Overpayment Process
8. Earning Code Updates
9. ERS Related Updates
10. Direct Deposit and Transferring Employees
11. HIP Service Center





PAYROLL CERTIFICATION

SEINA RAHIM - APA Hawaii Chapter

May
2019



AGENDA

- Why Payroll Certification
- American Payroll Association
- APA Hawaii Chapter
- Difference between CPP & FPC

Why Payroll Certification?



- Credibility
- Increases your knowledge
- Demonstrates expertise
- Growth opportunities
- Enhances resume

What is APA?

**AMERICAN
PAYROLL
ASSOCIATION**

- American Payroll Association Established in 1982
- The Nation's Leader in payroll education, publications, and training
- Network of more than 20,000 members receive the latest payroll compliance news
- APA National Membership \$254/year + \$35 enrollment fee
- APA National Members have access to ListServ & Online Hotline; & significant discounts on all APA payroll training classes, conferences, webinars, publications, etc.
- Is the industry's highly respected and collective voice in Washington, D.C.

What is APA Hawaii Chapter?



- Local chapter serving all islands in the state of Hawaii, established in 1986 for the purpose of establishing a network of payroll professionals
- APA Hawaii Chapter Is autonomous and independent of the American Payroll Association (APA)
- Membership is open to all payroll, human resources, and other professional persons concerned with the development and operation of payroll and related functions
- APA HI Chapter Membership is \$60 (company); \$20 (company additional members)
- Facilitates FPC/ CPP Study Group to assist with Certification Exam preparation & recertification credits
- Provide meetings & opportunities for Training on payroll topics

Difference Between CPP & FPC?



Certified Payroll Professional (CPP)

Requires individuals meet at least **one** of the following criteria:

- Criteria 1: at least 3 out of 5 years of payroll practice
 - Payroll Production, Payroll Reporting, Payroll Accounting, Payroll Systems, and Payroll Taxation
 - Payroll Administration
 - Payroll Education/Consulting
- Criteria 2: at least 2 years experience & completion of one of the three course options offered by APA
- Criteria 3: at least 1.5 years experience, obtained the FPC within last 1.5 years, & completion of one of the three course options offered by APA.

Difference Between CPP & FPC?



Fundamental Payroll Certification (FPC)

FPC Exam does not require payroll experience.

- FPC designed specifically for:
 - Entry-level-Payroll Practitioners
 - Sales Professionals/Consultants serving the payroll industry
 - Systems Analysts/Engineers writing, maintaining, & updating payroll programs
 - Payroll Service Providers' Client Representatives

APA Hawaii Chapter – Study Group



- Sign up to participate with APA HI Chapter Study Group by 5/24/19
- For more information go to:
<https://apahawaiichapter.starchapter.com/index.php>
- Email apahawaiichapter@gmail.com

The Power of the Super SME's

- You play an important role for your agency and your employees
- The Super SME (Subject Matter Expert) role throughout our Business Processes
- Important Resources to help guide you



State Tax Calculations-Clarification

- The [State Tax Publication](#) includes the same information to help you through the calculation in the event that you need to manually determine the amount.
- Step 1: You can get to the annual wage by calculating the pay period taxable wages (earnings minus certain pretax deductions) by 24
- Step 5: The end result from Step 4 divided by 24 would be the pay period taxes.

ANNUALIZED INCOME TAX WITHHOLDING

Annualized Income Tax Withholding: You may determine the tax to be withheld on the basis of annualized wages (using the tax computation method for annual payroll periods), then prorate the tax on the basis of the payroll period actually used. Employers with more than one payroll period (for instance, part-timers paid weekly; full-timers paid semi-monthly) may find this method helpful for conserving computer memory capacity. Only the annual rates below, wage brackets and allowance values need to be stored.

Example: An employee who is single and has only one job, is paid \$375 a week. He claims three withholding allowances (one personal exemption, an allowance since he is single and has only one job, and an allowance for his estimated itemized deductions) on the Employee's Withholding Allowance and Status Certificate (Form HW-4) on file with you.

1. Multiply weekly wage of \$375 x 52 weeks to determine annual wage	\$ 19,500.00
2. Subtract withholding allowances (\$1,144 x 3).....	3,432.00
3. Amount subject to withholding (line 1 minus line 2)	\$ 16,068.00
4. Compute withholding tax on \$16,068 using the WITHHOLDING TAX RATES below for a single person, annual payroll period:	
Tax on first \$14,400.....	\$ 682.00
Tax on remaining \$1,668 at 6.8%	113.42
Annual withholding tax.....	\$ 795.42
5. Compute Weekly withholding tax (\$795.42 /52 weeks)	\$ 15.30

* Note: \$1,144 subtracted per allowance

ANNUAL PAYROLL PERIOD

A. SINGLE PERSONS — INCLUDING UNMARRIED HEADS OF HOUSEHOLD

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Over	But not over		
\$ 0	\$ 2,400	1.40% of excess over	\$ 0
\$ 2,400	\$ 4,800	\$ 34.00 plus 3.20% of excess over	\$ 2,400
\$ 4,800	\$ 9,600	\$ 110.00 plus 5.50% of excess over	\$ 4,800
\$ 9,600	\$ 14,400	\$ 374.00 plus 6.40% of excess over	\$ 9,600
\$ 14,400	\$ 19,200	\$ 682.00 plus 6.80% of excess over	\$ 14,400
\$ 19,200	\$ 24,000	\$ 1,008.00 plus 7.20% of excess over	\$ 19,200
\$ 24,000	\$ 36,000	\$ 1,354.00 plus 7.60% of excess over	\$ 24,000
\$ 36,000	\$ 2,266.00 plus 7.90% of excess over	\$ 36,000

B. MARRIED PERSONS

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Over	But not over		
\$ 0	\$ 4,800	1.40% of excess over	\$ 0
\$ 4,800	\$ 9,600	\$ 67.00 plus 3.20% of excess over	\$ 4,800
\$ 9,600	\$ 19,200	\$ 221.00 plus 5.50% of excess over	\$ 9,600
\$ 19,200	\$ 28,800	\$ 749.00 plus 6.40% of excess over	\$ 19,200
\$ 28,800	\$ 38,400	\$ 1,363.00 plus 6.80% of excess over	\$ 28,800
\$ 38,400	\$ 48,000	\$ 2,016.00 plus 7.20% of excess over	\$ 38,400
\$ 48,000	\$ 72,000	\$ 2,707.00 plus 7.60% of excess over	\$ 48,000
\$ 72,000	\$ 4,531.00 plus 7.90% of excess over	\$ 72,000



Priority Pay- Lock out Days

- Entering a Priority Pay during the time Central Payroll is confirming payroll will slow down their process.
- For the 2 days leading up to the Online PCS opening. Priority page will be locked.
- If you try to search for an employee you will get no matching results
- [2019 Payroll Calendar](#)

Reversal Requests/Priority Pay Timing

- Central Payroll will notify departments if deletion or reversal requests were successful **two business days** after receiving confirmation from Wells Fargo
- Once notification of a successful reversal is received, departments can initiate pay through off-cycle priority pay or regular pay cycle.
- Central Payroll will hold off on processing priority pay if a reversal request is still pending, to prevent overpayment.



Paying a Terminated Employee Record?



- M_PY_HR_STATUS_REVIEW in DEPT PAYROLL folder
- Please run this query prior to submitting your online PCS for approval as it will identify if you have any employees with the wrong Employee Record listed
- For example, an employee may have transferred to employee record 1 from 0 and the payroll amount will also need to be moved.
- These should be reviewed carefully within Job Data as there may need to be an update to their HR record or the online PCS

Salary Overpayment Process

Helping to break down the Overpayment

Comptroller's Memorandum



Salary Overpayment Process

Department Payroll Office Notified of Overpayment

- Create HIP ticket if Direct Deposit
- Central Payroll will notify you if funds were recovered or not

Money is Recovered

- Notify third party vendors of pending reversals
- Central Payroll will reverse check

Money is not Recovered

- Notify employee of overpayment
- Recover from personal check or set up **OPR**

Employee Pays back by personal check

- [OPR steps](#)

Overpayment for Physical HIP Check

- [Steps to cancel a physical check](#)

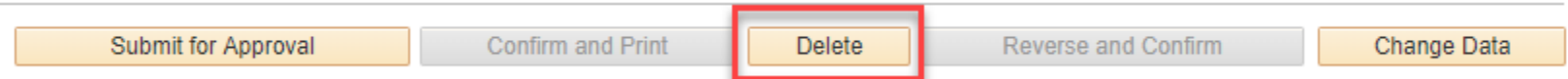
Partial Overpayment Recovery

- When part of the check is owed to the employee, and not the entire amount
- Calculate what amount the employee is overpaid, then follow steps for Employee Pay back by personal check



Salary Overpayment Process

- You can use the Priority Pay to calculate a check of what should have been paid. When compared to what was actually paid, you can get to the net overpaid amount. This will be beneficial if the employee wants to pay back via personal check.
- After save and calculate, be sure to delete the priority pay ASAP after notating or printing the calculations to avoid another overpayment



- Recommend to input this test payment one day before or after pay day to avoid mix up with off cycle check printing days. Please do not attempt this during days when the PCS is locked.
- This cannot be used if the employee's record is terminated in Job Data

Earning Code Updates

New Earning Codes Now Available:

- "MOB" Mobile Device Payment i.e. \$15.00 per pay period
 - Gross PCS and does roll forward each pay period
- "SDI" Same Day Inter-Island Travel, i.e. \$20.00
 - Fringe PCS and does NOT roll forward each pay period
- "REL" Relocation Allowance
 - Fringe PCS and does NOT roll forward each pay period



Earning Code Updates

New Codes will also be released for next pay period that will provide higher accuracy with our union dues calculation:

- Compression Differential
- Permanent Differential
- Related Differential
- Retention Differential
- Salary Adjustment Differential
- Shortage Differential
- Temporary Differential



ERS Related Updates

New Guidance has been issued by ERS, April 5, 2019: [Found Here](#)

1. Active Deaths
2. Overpayment of Salaries
3. Excess Employee Contributions
4. Advance Payment due to Payroll Lag

Updated earn code mapping that drives:

1. ERS Reporting
2. Employer Fringe Assessment Calculations



Direct Deposits for Transferring Employees

- Employees who transfer from a Jurisdiction, Department, or Agency will continue to have their current direct deposit account(s) active as long as they had no break in service.
- If an employee separated but returned within 120 days, their direct deposit account(s) will continue to be active and intact.



HIP Service Center

- From time to time, employees will call HIP to inquire about their pay check. They may have added or deleted a direct deposit account which could have resulted in a hardcopy paycheck.
- Payroll Offices can run a query **M_PY_PAYPERIOD_CHECKS** to identify anyone getting a check in that pay period and schedule to pick up the check(s) from the Pre-Audit Branch Rm 324 on pay day.

HIP Ticket Center



hipservice.hawaii.gov

Search Our Library of Knowledge Articles

Search



Submit Ticket
Create a new service ticket here



Locate a Ticket
Click here to check on your previously submitted tickets

HIP Ticket Center

- When you make a case, you can make new comments to communicate with the agent in charge of your case instead of emailing

The screenshot displays the 'Additional Information' section of a ticket. It contains the following fields:

Status	New	Type	Feature Request
Case Origin	Web	Priority	Medium
Category	Security/Technical	Subcategory	General Incident
Subject	Test Insert		
Description	Test Insertion		
Date/Time Opened	3/25/2019 2:10 PM	Date/Time Closed	

Below this section is a 'System Information' header. Underneath are two panels:

- Files (0)**: A table with columns for TITLE, OWNER, LAST MODIFIED, and SIZE. An 'Add Files' button is located in the top right corner.
- Case Comments (0)**: A section with a 'New' button highlighted by a pink arrow.



Supporting Payroll Offices

- Remember that we are here to help support all state payroll offices. We will work together to help you understand the process, answer your questions, and resolve any issues that may arise.
- Employees should also feel that they can go to you with any questions or concerns they may have. If your employee needs help, please assist them and always reach out to us if you need additional support.



MAHALO FOR YOUR TIME!