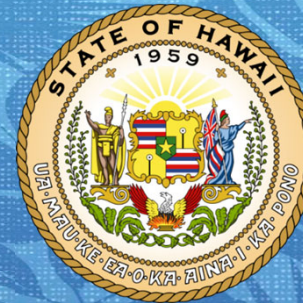




Payroll SME Meeting

September 16, 2019



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

Mahalo to all of our State's Payroll Heroes!





Proclamation

WHEREAS, the American Payroll Association is recognizing nearly 150 million payroll professionals across the United States who support the American system by paying wages, reporting worker earnings and withholding federal employment taxes; and

WHEREAS, payroll professionals in the State of Hawai'i play a key role in maintaining the economic health of residents, carrying out such diverse tasks as paying into the unemployment insurance system, providing information for child support enforcement, and carrying out tax withholding, reporting and depositing; and

WHEREAS, there are nearly 350 dedicated individuals who oversee, direct and process payroll checks for nearly 70,000 employees on a given pay day; and

WHEREAS, between May 2018 and January 2019, payroll staff across all State of Hawai'i departments and agencies successfully completed the transition to "HawaiiPay," the new modernized payroll system; and

WHEREAS, "HawaiiPay" is secure and efficient, replacing a labor and time-intensive, paper-based, manual process and transforming the way the State and its employees conduct business; and

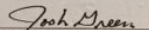
WHEREAS, our dedicated payroll staff ensure that payroll checks are processed and issued each pay day using the new payroll system and delivering online pay statements to all state employees through the Hawaii Information Portal; and

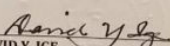
THEREFORE I, DAVID Y. IGE, Governor, and I, JOSHUA B. GREEN, Lieutenant Governor of the State of Hawai'i, do hereby proclaim September 2-6, 2019 as

"PAYROLL WEEK"

in Hawai'i and ask the people of the Aloha State to join us and employers across the country in honoring and celebrating all employees and payroll heroes.

Done at the State Capitol, in Executive Chambers, Honolulu, State of Hawai'i, this twenty-eighth day of August 2019.


JOSHUA B. GREEN
Lieutenant Governor, State of Hawai'i


DAVID Y. IGE
Governor, State of Hawai'i

Hawaii Payroll Week Sept 2 - 6

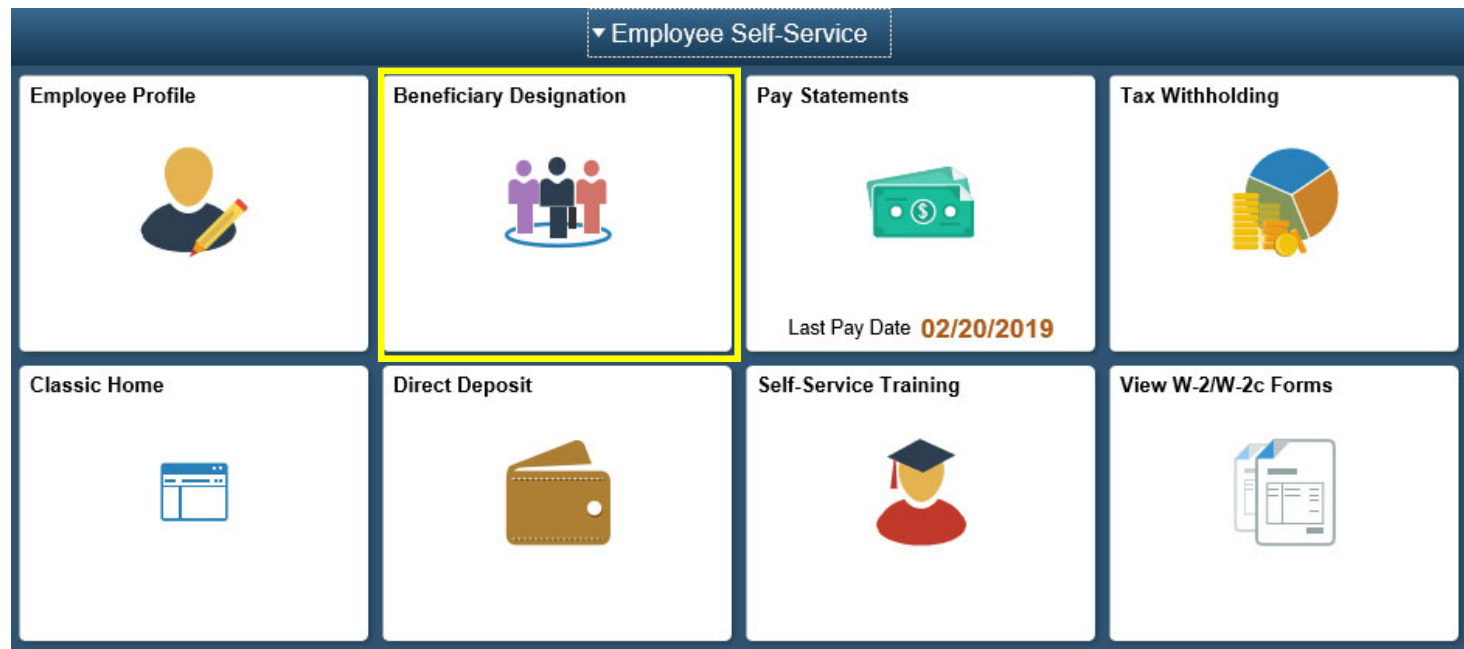
TALK STORY TOPICS

1. Employee's Designation of Beneficiary
2. ERS Repayment Types
3. ERS Payroll Adjustments
4. Retro Payments after ERS Group/FICA Code changes
5. Union Dues Deduction Processing Update
6. Adjustments to Online PCS Transactions
7. 2019 Year End Deadlines and W-2 Issuance
8. Access to <http://ags.hawaii.gov/hip/for-payroll-personnel/>
9. Phase 2: Time and Leave Activities



Employee's Designation of Beneficiary

- In November, a new Employee Self Service page will be available that will replace the D-90 Paper Form: Employee's Designation of Beneficiary.



Employee's Designation of Beneficiary, cont.

- Section 78-23(c) of the Hawaii Revised Statutes has been revised to allow for the electronic processing of the D-90 Form.
- In November, all new hires/rehires will receive a new HIP onboarding letter that will direct them to complete their beneficiary designation in HIP in the event they pass away and still have unpaid wages & eligible leave.
- All current employees will also be asked to electronically designate their beneficiaries in HIP as the official system of record.
- In the event an accommodation is needed, authorized payroll users will have access to update their elections from the notarized paper form.
 - Please note that these forms will now be retained at the departments and should not be submitted to DAGS starting in November.

Employee's Designation of Beneficiary, cont.

- Employees will have the ability to designate a Primary and a Contingent beneficiary.
- There is no longer a limit to the number of beneficiaries and the amount is not split evenly, but will be dispersed based on the percentage designated by the employee.
- When an employee passes away, please check HIP first for beneficiary information as it will supersede any and all paper forms.
 - If an electronic election is not available, then the DAGS copy may be requested for processing.



ERS Repayment Types

- There are 2 types of ERS repayment deductions that require a different setup under the employees General Deductions.
 1. If there is a coding error and an employee owes an additional amount, you will need to setup the payment according to the payment plan determined with your employee.
 - ERS does not require a specific minimum repayment amount, however, they want to make the employee's account whole immediately since it's a mandatory retirement deduction pursuant to Section 88-325(b), HRS.
 2. The employee has made arrangement with ERS to purchase additional service credits. (New ones will no longer be accepted after 07/2020)
 - In this case, ERS would reach out to you directly with the amount to establish on the employees' general deduction record.

ERS Repayment Types

- When you are establishing the general deduction in HIP, you will follow the below steps:
 1. Enter the appropriate deduction code (AR910 or AR911)
 2. Enter the beginning of the pay period when the deduction should be effective.
 3. Update the Calculation Routine to us “Flat Amount”
 4. Leave the box checked to “Take on all Paygroups”
 5. Enter the amount that should be deducted each pay period under “Flat/Addl Amount”
 6. Enter the total amount to be paid under “Goal Amount”

ERS Repayment Types

- If the deduction falls under category 1, then you are done and can select “Save”
 1. If there is a coding error and an employee owes an additional amount, you will need to setup the payment according to the payment plan determined with your employee.
- If the deduction falls under category 2, then you need to enter “BUY” in the plan code field and then select “Save”
 1. The employee has made arrangement with ERS to purchase additional service credits.

ERS Payroll Adjustments

- ERS Payroll Adjustments typically have an impact to an employee's W-2 reportable data.
- These adjustments should be processed through payroll as soon as possible and they are then reported to ERS on our payroll file as an adjustment to their prior record, such as for overpayments.
- If you have a situation that you believe requires an adjustment to ERS outside of payroll processing, please log a HIP ticket for assistance in submitting the required ERS payroll file adjustment.

Retro Payments after ERS Group/FICA Code changes

- When an employee changes positions, either through a promotion/demotion/transfer or rehire with a different ERS Group/FICA code, they have adjustments made to their deductions
- If you find that you owe retro-active pay to an employee that has changed to a new ERS eligibility category, please process the missed pay through the off-cycle process to ensure the correct deductions and employer assessments are processed.

Retro Payments after ERS Group/FICA Code changes

- For Example:
 - Employee hired as E0/N0 and is not ERS eligible
 - Employee promoted to position that is H1/11 and is now ERS eligible
 - Retro wages are owed for \$100.00
 - If this is added to their current pay, they will have ERS deductions withheld as they are in a new category.
 - Through the off-cycle, the missed pay should be added with the ERS deductions removed under the one-time override to prevent incorrect withholdings.

Union Dues Deduction Processing Update

- HIP is currently calculating the union dues for UPW and HGEA based on the earnings that you process each pay period.
- We received a request from HGEA to remove a few earn codes, such as Night Shift Differential, starting with the 9/20/19 pay period.
- Employees may see a slight decrease in their dues amount as a result.

HGEA Dues Calculation Earn Codes	
Earnings Code	Description
BN	Bonus
CD	Compression Differential
COM	Compression Differential
I	Working Condition Differential
PD	Permanent Differential
Q	Extra Pay During Summer
RD	Related Differential
RTD	Retention Differential
SCD	Standards of Conduct Different
SD	Shortage Differential
SJD	Salary Adjustment Differential
SP	Summer Salary Payout
SS	DOE Summer Salary
T	Temporary Assignment
TD	Temporary Differential
Y	Differential Pay

Adjustments to Online PCS Transactions

- To ensure that any requested Online PCS adjustments are entered correctly, we now require the following to be filled out:

Payroll No	Check Dt	Empl Name	Empl ID	Empl Record	Empl Pay Group	Earn Code	Earns Begin	Earns End	old gross	Tot Gross
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FUND	FISCAL YEAR	Appropriation	DEPARTMEN	Subdivision	Object Code	COSTCTR/FUNCT	Project Code	Phase Code	Voluntary Deduc	Tx Periods
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Comments* Required	Requested By (staff's name) / Date* Required
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- When you submit a HIP ticket requesting a payline adjustment, Central Payroll (CP) will provide you with the Adjustment Request Form.
- Once that is filled out and sent back to CP via the HIP ticket, CP will make the requested adjustments, notify you (the department), and close the HIP ticket.

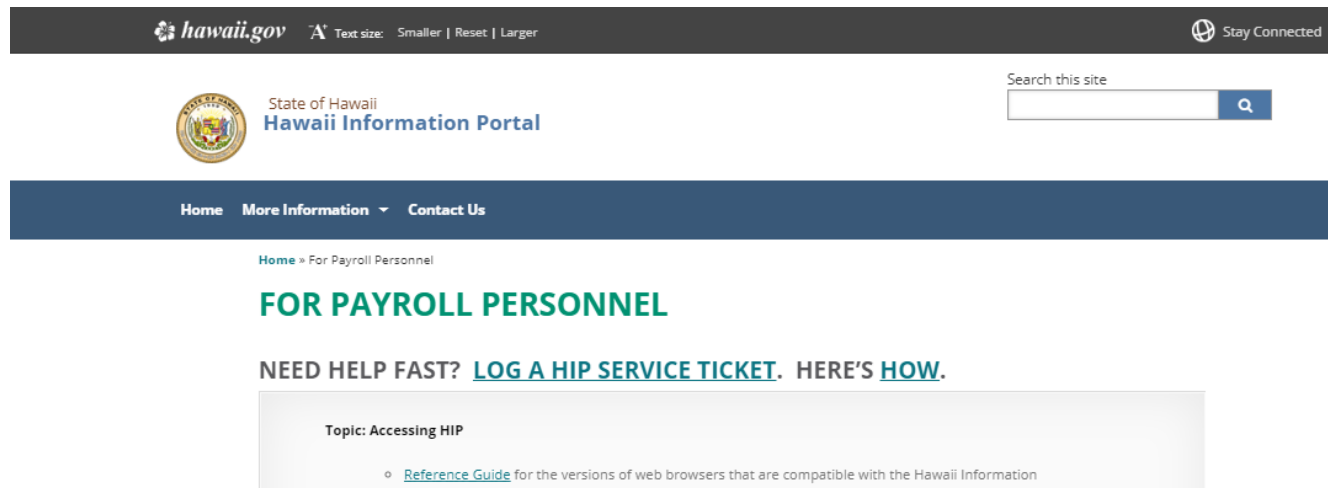
2019 Year End Deadlines and W-2 Issuance

- It is never too late to start planning for our payroll year end activities and W-2 issuance. Please plan to start working with your HR teams early!
 - Social Security Name and Number validation
 - Employee Address Update Changes will need to be completed.
 - Last Off-Cycle's for 2019 tax year (including overpayment processing) will be completed at 12:00 pm on 12/09/19
 - 2020 Payroll Calendar available online now (<http://ags.hawaii.gov/hip/files/2019/09/2020-Payroll-Calendar.pdf>)
 - Encourage employees to use HIP ESS to enroll in W-2 electronic consent to receive their W-2 online only before it is available on paper.
 - Updated W-2 Reports will be provided electronically during the W-2 form distribution cycle

Access to <http://ags.hawaii.gov/hip/for-payroll-personnel/>

Password Protected Site may be accessed using:

- Username “HIPsuperuser”
- Password “HIP2018!”



The screenshot shows the Hawaii Information Portal website. At the top, there is a dark grey header with the 'hawaii.gov' logo, text size controls, and a 'Stay Connected' link. Below this is a white navigation bar with the State of Hawaii seal and the text 'State of Hawaii Hawaii Information Portal'. A search bar is located on the right side of this bar. A dark blue navigation bar contains links for 'Home', 'More Information', and 'Contact Us'. The main content area has a breadcrumb trail 'Home » For Payroll Personnel' and a large green heading 'FOR PAYROLL PERSONNEL'. Below this is a call to action: 'NEED HELP FAST? [LOG A HIP SERVICE TICKET](#). [HERE'S HOW](#).' A grey box highlights the topic 'Accessing HIP' with a sub-link: '◦ [Reference Guide](#) for the versions of web browsers that are compatible with the Hawaii Information Portal (2/18/2018)'.

Phase 2: Time and Leave Activities

- Phase 2 of the Time and Leave project will implement the Time and Labor and Absence Management modules within the HIP PeopleSoft system.
- This change will implement the gross pay calculation for payroll and provide a leave management system to replace the existing processes, while also creating standardization across collective bargaining units.
- We are excited to be working with each of our agencies and jurisdictions as we map out the best strategy to go live.

Phase 2: Time and Leave Activities

- Thank you to each of you that has provided many of the needed requirements for how Time and Leave will be utilized by each agency and jurisdiction.
- We have identified a number of requirements in the design for time reporting. We ready to share these details on how Time will be provided by employees that will be reporting directly in HIP and will be reviewing the following options with each agency.
- Time reporting options:
 - Positive Pay Timesheet Entry: Elapsed Timesheet or Punch Timesheet
 - These employees need to report their time in order to get paid (i.e. 89 day hires)
 - Exception Time Reporters
 - The employee's gross pay calculation is driven by the salary scheduled in their Job Data employee record. The employee will only report exceptions to their regular pay as they occur through absence management and the elapsed timesheet. Examples include Sick Leave, Leave without Pay, Night Shift Differential, etc.

Positive Pay Timesheet Entry: Elapsed Timesheet

< Time
Timesheet Delete Confirmation

Job Title Janitor II

◀ 9 September - 15 September 2019 ▶
Weekly
Scheduled 40.00 | Reported 48.80

[Request Absence](#)
[Save for Later](#)
[Submit](#)

[View Legend](#)

Time Reporting Code / Time Details	Monday 9	Tuesday 10	Wednesday 11	Thursday 12	Friday 13	Saturday 14	Sunday 15		
	<div style="background-color: #e0e0e0; padding: 2px;"> Scheduled 8 Reported 11 </div>	<div style="background-color: #e0e0e0; padding: 2px;"> Scheduled 8 Reported 10 </div>	<div style="background-color: #e0e0e0; padding: 2px;"> Scheduled 8 Reported 11 </div>	<div style="background-color: #e0e0e0; padding: 2px;"> Scheduled 8 Reported 3.3 </div>	<div style="background-color: #e0e0e0; padding: 2px;"> Scheduled 8 Reported 11.4 </div>	<div style="background-color: #e0e0e0; padding: 2px;"> Scheduled OFF Reported 2.1 </div>	<div style="background-color: #e0e0e0; padding: 2px;"> Scheduled OFF Reported 0 </div>		
<input type="text"/>	11.00	10.00	11.00			0.00		+	-
HZD15 - Hazard Pay Severe					2.00			+	-
HZD25 - Hazard Pay Most Severe					4.00			+	-
MEAL1 - Meal - Breakfast				1.00				+	-
SPLIT - Split Shift Differential				2.30				+	-
WDATY - Working Cond Diff - Autopsy						2.10		+	-
WKDIF - Working Condition Differential					5.40			+	-
Comments	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		

Positive Pay Timesheet Entry: Punch Timesheet

< Timesheet Delete Confirmation
Punch Time
🏠 🚩 ☰

Job Title Account Clerk IV

◀ 8 September - 14 September 2019 ▶

Sunday to Saturday
Scheduled 40.00 | Reported 6.50

[View Legend](#)

Day Summary	In	Lunch	In	Out	Time Details	Comments
08 Sep Sunday Reported 0.00 / Scheduled OFF	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		<input type="text"/> + -
09 Sep Monday Reported 6.50 / Scheduled 8.00	7:45:00AM	12:00:00PM	12:45:00PM	3:00:00PM		<input type="text"/> + -
10 Sep Tuesday Reported 0.00 / Scheduled 8.00	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		<input type="text"/> + -
11 Sep Wednesday Reported 0.00 / Scheduled 8.00	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		<input type="text"/> + -
12 Sep Thursday Reported 0.00 / Scheduled 8.00	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		<input type="text"/> + -

Phase 2: Time and Leave Activities

- As the online PCS will be going away through this phase, we will also be providing a look at how other types of pay will be provided by payroll in some cases.
 - Mass Time – Allows for the processing of one-time payments to employees in a defined group as needed, such as by union code
 - Rapid Time Entry – Utilizes rapid reporting templates to enter multiple transactions for multiple employees all on one page. This is somewhat similar to the Online PCS, but as the system will perform the gross pay calculation it is more simplified.
 - Additional Pay – Similar to how it is currently used for OPR – Overpayment Recovery
 - Job Data – New rate component processing

We are looking forward to discussing these options with your teams and getting your feedback!



MAHALO FOR YOUR TIME!

Prior SME Topic Index

- [Episode 1 - 11/09/18](#): Introduction of Payroll SME's , ACH Rejections , Leave Without Pay And Payroll , UAC Validation , Hour Limitation on the PCS , Off-Cycle Pay Checks , Transfers Into Another Department/Jurisdiction
- [Episode 2 - 12/12/18](#): Group 3 Implementation Update, Countdown to Year End, ACH Rejections – New Update! , New Earn Codes and Online PCS Updates, WIK Code Reminders, Deduction Subsets, Deferred Vacation Payouts, Upcoming Deadlines
- [Episode 3 - 02/14/19](#): 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
- [Episode 4 - 03/18/19](#): SSA Verification Process , Distributing Paper Checks to Employees , ACH/Pre-Note Returned Notifications , Online PCS Review After Payroll, TDR Comments , Selecting the correct Empl Record on PCS , Timing of OPR Entries , Priority Pay

Prior SME Topic Index

- [Episode 5 - 04/15/19](#): EUTF Team , Non-Cash WIK (WF code) , Garnishment Inquiries , Federal and State Tax Calculations , New HIP Ticket System , Post Death Payments , Employment Verification , Earnings Dates , W2 Reprints and Corrections , Password Resets
- [Episode 6 - 05/20/19](#): Guest Speaker: Seina Rahim, American Payroll Association Hawaii Chapter , The Power of our Super SME's , State Tax Calculations-Clarification , Priority Pay-Lock out days , Reversal Requests/Priority Pay Timing, Query Inactive Employees being paid , Salary Overpayment Process , Earning Code Updates , ERS Related Updates , Direct Deposit and Transferring Employees , HIP Service Center
- [Episode 7 - 06/17/19](#): Delete/Reversal Requests – Reminder!, Cancelled Check Forms (C-53) , Employees Transferring Departments with OPR , OPR entries on Additional Pay, Union Dues Refunds , Post Death Payment to Beneficiaries , Terminated Employees Who are Receiving Pay , Earnings Begin and End Dates , Workers Comp Reclass , Fiscal Year Update to UAC, Mass Pay Increase Update
- [Episode 8 - 07/15/19](#): Overpayment Reminders, Earnings Period (Begin/End Date), Post Death Payment Reminders, Transferring Department – Changes in BU, Terminated Employee – Query Timing, ETS-303: Hawaii Information Portal Security Access Request Form, HIP System - User Responsibilities Reminder, Level 3 Approval – Timing for Requesting Denials, Employee Self Service Reminders, New Earnings Codes, Prior SME Topic Index

Prior SME Topic Index

- [Episode 9 – 08/19/19](#): National Payroll Week, Accessing our Website, Overpayment reminders – Personal Checks, Submitting Overpayment Adjustments (Worksheet), Garnishment Notices, Void Payroll Check Procedures, Off-Cycle Checks – Deduction Subsets, Reissuing Checks on the Off-Cycle, W-4/HW-4 Update, Social Security Verification, Early Distribution of Payroll Checks, ACH Delete/Reversal Bank Recall, EUTF Health Refunds