

Department of Accounts

Payroll Bulletin

Calendar Year 2007

December 15, 2006

Volume 2007-02

*In This Issue of
the Payroll
Bulletin.....*

- **FBMC Update**
- **FBMC Focus Group**
- **FINDS**
- **Pre-notes**
- **DD form**
- **FICA Status**
- **Eligibility for VSDP Benefits**
- **Employee names/addresses**

The Payroll Bulletin is published periodically to provide CIPPS agencies guidance regarding Commonwealth payroll operations. If you have any questions about the bulletin, please call Cathy McGill at (804) 371-7800 or Email at cathy.mcgill@doa.virginia.gov

State Payroll Operations

Director Lora L. George
Assistant Director Cathy C. McGill

FBMC Update

Special Announcement: TIAA CREF

After nine months of effort to work with TIAA/CREF to address numerous reported issues, FBMC has placed TIAA/CREF on probation (i.e., suspension from soliciting new accounts). This suspension of soliciting new activity currently covers the period January 1, 2007 to June 30, 2007. All existing deductions will continue to be processed during this period. It is expected that during this period TIAA/CREF will address the issues which led to this action. If a noted improvement is identified, the probation may be lifted prior to June.

This action has been taken to protect the integrity of your employees' payroll contributions and to reduce dissatisfaction among existing participants. While we recognize that this action may limit options for new employees, we feel that it is our fiduciary responsibility to ensure our 403(b) providers are held to high standards of accountability and that payroll contributions are administered consistently, soundly, reliably and timely.

The Department of Accounts would like to receive feedback from you regarding your experiences with TIAA/CREF. In addition to FBMC's efforts, it is our intent to pressure TIAA/CREF directly on behalf of Commonwealth employees to improve service and accountability. We will need your input to ensure all experiences are reflected in any correspondence.

Please email your responses to Lora George, Director of State Payroll Operations, at lora.george@doa.virginia.gov.

FBMC Focus Group

FBMC Focus Group

There will be an FBMC Focus Group Meeting on Tuesday, February 6, 2006. The group will meet in Conference Room D of the Monroe Building at 9:30 am. The meeting provides a forum for interested Benefit and Payroll Administrators to meet with representatives from FBMC to discuss issues and /or changes in procedures associated with the administration of voluntary supplemental insurance, annuities (403(b)), and cash match (401(a)) products provided through the Virginia Provider Network. In addition, it provides an opportunity for FBMC to meet new Virginia employees and answer any questions they might have about the process. Please email Cathy McGill at cathy.mcgill@doa.virginia.gov by January 29 if you plan to attend.

FINDS and Commas in Last Names with Suffixes

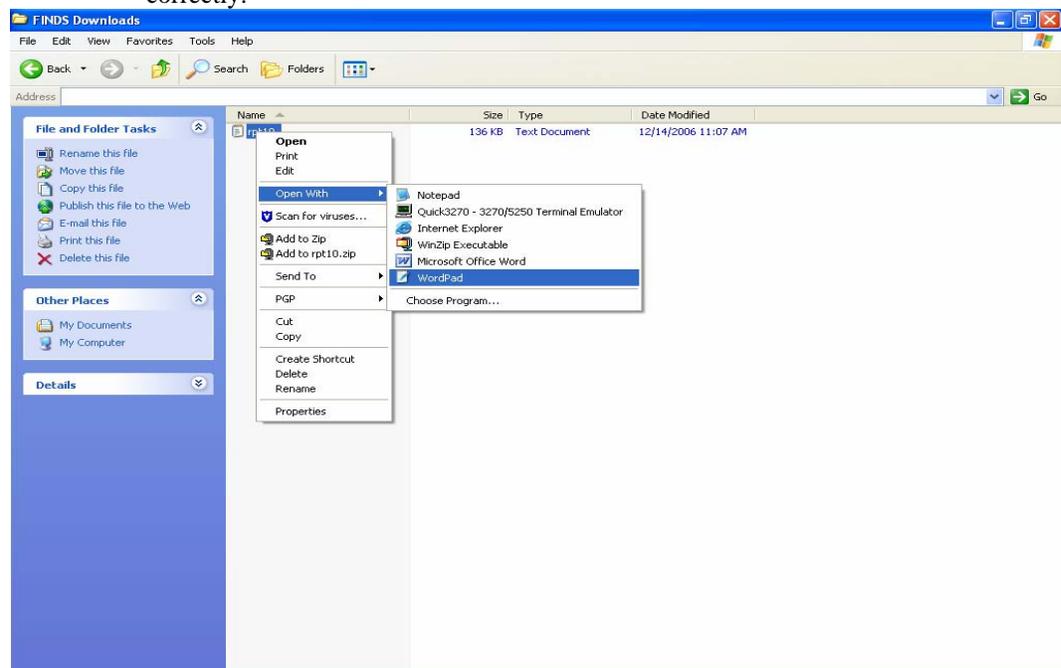
Do not remove the commas in CIPPS

We are aware that the presence of commas in last names with a suffix causes a problem in the record layout of files downloaded from CIPPS through FINDS; however, the comma must remain in CIPPS so that the W2s will print correctly.

Files downloaded from FINDS

The file that is downloaded through FINDS may be edited to remove the commas associated with the various suffixes before the file is used in PAT or other applications:

- Right-click on the downloaded file.
- Move your cursor to “Open With”
- Open the downloaded file in Notepad or Wordpad.
- Select “Edit”
- Select “Replace” for each suffix contained in your file (i.e., Find: **, Jr.** and Replace: **Jr.**)
- Save your file when you have finished editing.
- When you open the file in a comma-delimited application, the columns will line up correctly.



Pre-notes

- Pre-Note Dates** DOA eliminated the use of pre-notes for regular direct deposit effective December 1, 2006. Since the pre-note for regular direct deposits has been eliminated, you no longer need to put a date in the Pre-Note Date field on the HOBBI screen.
- EPPICard (Pay Card) Pre-notes** Accounts for the EPPICard will continue to pre-note since it takes approximately 10 days for the employee to receive the actual Pay Card once the application has been processed. By the time the pre-note has completed, the employee should have his/her card.
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New Direct Deposit Forms

- Completion by Financial Institution** The new direct deposit form found on DOA's website should now be in use by all agencies (<http://www.doa.virginia.gov/Payroll/Forms/DirectDeposit.pdf>). The form provides a section for completion by the financial institution to ensure that correct ABA numbers are provided. In addition, the section signed by the employee now includes an understanding by the employee that they must wait for actual return of funds rejected by the employee's financial institution (i.e., employee closed account and did not notify payroll) before the funds are reissued.
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FICA Status

- Clarification** A reminder to change the FICA status for employees who reached the OASDI max in 2006 was included in the 2007 Calendar Year Payroll Operations and Leave Processing bulletin.

This reminder applies only to those employees who worked at more than one state agency and reached the maximum when their taxable FICA earnings from all of the agencies they worked for were combined. When the max is reached, the employee's FICA status must be manually changed to "6". Before the first payroll for calendar year 2007 is certified, the FICA status for these employees should be changed back to "4".

Report 825, FICA Status Not Equal to 4 and Employee Status Equal 1 or 2 provides a list of applicable employees. Request this report on CIPPS screen HSRUT. Be sure to contact John Rodgers at john.rodgers@doa.virginia.gov if you have never run this report before so he can activate the report for your agency.

VSDP and LWOP

**Guidance
provided by
DHRM**

When determining if an employee is eligible to receive VSDP benefits, DHRM offers the following guidelines:

If the employee is on "Leave Without Pay"(LWOP) status for Educational leave, Military leave, Unconditional leave, Conditional leave, Layoff, Temporary Workforce Reduction, Unpaid FMLA or Disciplinary Suspension pending investigation or outcome of court on the date the physician certifies as their date of disability, the employee is NOT eligible to receive VSDP benefits.

If, on the date the physician certifies as their date of disability, the employee is in a Docking status because they were absent and do not have enough leave to get paid for time they were out, the employee IS eligible to receive VSDP benefits.

Should you have any questions regarding whether or not an employee is eligible for benefits, please call Rue White at DHRM (804-225-3465 rue.white@dhrm.virginia.gov).

Employee Names and Addresses

**Verify by
December 28**

Now is an excellent time to have all employees verify their name and address as it appears on their earnings notice, check stub or in Payline. Corrections should be made to both PMIS and CIPPS prior to December 28.
