

Department of Accounts

Payroll Bulletin

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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

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Remember to Turn off Fixed DD when Turning off Variable DD

Additional Guidance

The Department of Accounts has been monitoring adherence to the policy prohibiting an employee from having a fixed direct deposit without a variable direct deposit for the net amount. While the number of occurrences has reduced significantly we have identified a couple of items that need to be addressed.

Final payments generally should be made via direct deposit; however, some agencies elect to generate a physical check when agency assets that need to be returned are still in the employee's possession. When processing final payments for an employee, if an agency chooses to deactivate the variable direct deposit, the fixed direct deposit must be deactivated as well.

If an employee is switching financial institutions and needs to temporarily deactivate the variable direct deposit, the agency does not have to immediately deactivate the fixed direct deposit. However, if the variable deduction has not been reactivated using the new financial institution information, the fixed direct deposit must be deactivated. (Some agencies have chosen to make it an agency policy that any time the variable direct deposit is deactivated the fixed deduction is automatically deactivated as well.)

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Global Opt-Out and Direct Deposit Mandates

**Additional
Agency Global
Opt-Out and
Mandatory
Direct Deposit**

The following agencies have elected a global opt-out of printed earnings notices:

- Catawba Hospital – salaried only
- Department of Criminal Justice Services
- Department of Social Services
- Division of Legislative Services
- Germanna Community College
- J. Sargeant Reynolds Community College
- Northern Virginia Training Center
- Radford University
- Richard Bland College – switched from salaried only to all employees
- Sitter-Barfoot Veterans Care Center
- University of Mary Washington
- Virginia Employment Commission
- Virginia School for the Deaf and the Blind at Staunton
- Virginia Western Community College
- Wytheville Community College

In addition, the following agencies have mandated direct deposit for the entire agency:

- J. Sargeant Reynolds Community College
- Radford University
- Richard Bland College
- VDOT – all districts

Additional agencies that intend to mandate DD/opt out of print will be announced closer to their implementation date.

We commend these agencies in supporting these cost saving measures!

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Limited Use of Garnishment/Child Support Deductions

CIPPS Not For Use to Render Personal Payments

Effective immediately, the Department of Accounts is establishing a policy that prohibits the use of garnishment deductions to create any checks for payment of non-court ordered debt (e.g., creditor or alimony payments). Wage assignments under Virginia Code § 6.1-290 and Administrative Wage Assignments issued by SSA, although not court-ordered, are considered valid within this policy. Employees are responsible for all other personal payments utilizing personal means, not through payroll deduction.

Agencies should review active garnishment and support deductions to ensure each is supported by a court-order or wage assignment.

New Deferred Compensation/Cash Match/ORPPA Vendor

ING is replacing Great West

The Virginia Retirement System has contracted with ING to replace Great West as the third party administrator for the Deferred Compensation Plan, the related cash match, and Political Appointee ORP plans. This transition officially occurs on January 5, 2009; however, transition activities will be taking place during the month of December. For more information regarding the transition plans, please visit <http://www.plantransition.com/vadcp/>.

While details are still being clarified, the impact to CIPPS processing will be minimal. The current process of receiving update files from the vendor to update CIPPS will continue. The timing of these updates continues to be a part of the ongoing discussions.

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Miscellaneous Reminders

In Case You Have Forgotten

Some things bear repeating:

- ✓ Use MCIP when logging on to CIPPS to view the Broadcast page where messages for CIPPS audience are placed.
- ✓ **Never** delete a manual pay set from the pending file.
- ✓ Review the Report 59, Gross Pay Limits Exceeded, for potential payment errors.
- ✓ Review H1K03 (online pending file) after each certification and delete any transactions not needed for later processing.
- ✓ Screen-print the certification page and have a second individual review for keying errors.
- ✓ When taking Deferred Compensation from leave payouts or bonus amounts, be sure to account for FICA withholdings. The amount of the Deferred Compensation should not prohibit FICA from being withheld.
- ✓ When keying Imputed Life special pays for LWOP employees (e.g., military, severance) be sure to pay \$.01 on HUA03 so that uncollected FICA will post.
- ✓ You cannot process a special pay only request (type 9) in the same run as a regular pay request (type 3).
- ✓ Transactions keyed on HUC01 will not process in a special pay only run (type 9).
- ✓ Deduction overrides do not process in a special pay only run (type 9).
- ✓ Before faxing the EPPICard enrollment form to DOA, be sure the employee masterfile exists in CIPPS and all information is completed and is legible.
- ✓ Request Report 858, Year-To-Date Uncollected FICA, to keep an eye on occurrences of Uncollected FICA.
- ✓ Review the November U092 and U093 reports and ensure any corrections that are needed are processed in December – **prior to** calendar year-end processing.
- ✓ Enter all non-paid special payments (company car, moving and relocation, etc.) before calendar year-end.