



## Creditor Garnishments, cont.

### AMOUNT SUBJECT TO GARNISHMENT, EFFECTIVE JULY 24, 2009

Pay Frequency:	Disposable earnings are:	Subject to Garnishment:
<b>WEEKLY</b>	\$290.00 or less	None
	\$290.01 but less than \$386.66	Amount above \$290.00
	\$386.66 or more:	Maximum 25%
<b>BIWEEKLY</b>	\$580.00 or less	None
	\$580.01 but less than \$773.33	Amount above \$580.00
	\$773.33 or more:	Maximum 25%
<b>SEMIMONTHLY</b>	\$628.33 or less	None
	\$628.34 but less than \$837.77	Amount above \$628.33
	\$837.77 or more:	Maximum 25%
<b>MONTHLY</b>	\$1,256.67 or less	None
	\$1,256.68 but less than \$1,675.56	Amount above \$1,256.67
	\$1,675.56 or more:	Maximum 25%

#### Example

*Example 1:* Assuming disposable earnings of \$700.00 and a **semi-monthly pay period**: \$700.00 – 628.33 (protected amount, see above) = \$71.67. The 25% maximum is more, so withhold only \$71.67 (\$700.00 times 25% = \$175.00).

*Example 2:* Assuming disposable earnings of \$800.00 and a **bi-weekly pay period**: \$800.00 - \$580.00 (protected amount, see above) = \$220.00. Since this exceeds the 25% maximum, (\$800.00 times 25% = \$200.00), only the 25% maximum of \$200.00 may be withheld.

## Retirement Effective Dates

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**Faculty  
“Contract”  
Employees**

There has been some confusion surrounding the processing of final pay and the appropriate date to use in PMIS for contract employees who are retiring. The Appropriations Act (Chapter 781, 4-6.01, m. 2., 2009 Virginia Acts of Assembly) provides that:

Notwithstanding any other provision of law, employees holding full-time, academic-year classified positions at public institutions of higher education shall be considered “state employees” as defined in § 51.1-124.3, Code of Virginia, and shall be considered for medical/ hospitalization, retirement service credit, and other benefits on the same basis as those individuals appointed to full-time, 12-month classified positions.

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**VRS  
Requirements**

VRS requires that all retirements must be effective on the first day of the month and all creditable comp must be processed prior to the date of retirement. Contributions received after the effective retirement date will be rejected by VRS. The paperwork submitted to VRS should reflect the actual retirement date according to the retirement requirements.

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**PMIS  
Effective Date  
of Retirement**

The effective date entered in PMIS has no bearing on the actual VRS retirement date and should correspond to the last day of the employee’s pre-retirement employment (and no later than the last day of the month prior to retirement) so that the correct amount of final pay and associated benefits will be properly calculated.

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**Faculty  
“Contract”  
Employees –  
24 Pay**

- Retirement other than September 1
    - PMIS Effective Date should be 25<sup>th</sup> of the month prior to retirement.
    - Contract must be paid out in pay period ending on the 24<sup>th</sup>.
    - Creditable comp should be calculated on full amount of final pay.
    - Under no circumstances should pay be calculated for a pay period ending after the VRS Retirement Date
    - In the event that additional creditable comp is owed to the employee after certification for the ppe ending the 24<sup>th</sup> has occurred, the payment should be processed as a special ensuring that appropriate deductions are taken. The only employer-paid deductions that should be taken are Retirement and Retiree Credit. The pay period begin date should be the 10<sup>th</sup> of the month prior to retirement date and the pay period end date should be the 24<sup>th</sup>. In this instance, it is permissible to use the same pay period more than once for an employee – as long as the check date is different.
  - September 1 Retirement
    - PMIS Effective Date should be 08/25
    - Contract has been paid in full over 24 pay periods, creditable comp has been posted for each pay period
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## RETIREMENT EFFECTIVE DATES, cont.

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### Regular, Classified Employees

- Employee works through end of the month
    - PMIS Effective Date should be the 1<sup>st</sup>.
    - Employee is paid for time worked from 25<sup>th</sup> through end of the month.
    - Health insurance premium is not taken.
    - No employer-paid deductions are taken, except Cash Match if applicable.
  - Employee works through the end of pay period ending 24th
    - If PMIS Effective Date is 1<sup>st</sup>, then employee should be put in LWOP status for 25<sup>th</sup> through end of the month.
    - Normal deductions are processed for pay period ending 24th.
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## Virginia State Employee Loan Program – Payroll FAQ

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### Payroll Questions

To date, over \$130,000 has been disbursed by the VACU to employees requesting assistance through the Virginia State Employee Loan Program (VSELP) administered by the Virginia State Employee Assistance Fund (VSEAF). Several payroll-related questions have come up during the first couple of weeks and clarification is provided below:

**1. What does the confirmation email to [FSPRMB@dhrm.virginia.gov](mailto:FSPRMB@dhrm.virginia.gov) really mean? What is being confirmed?**

The VSEAF needs to know that repayment of the loan by direct deposit has been activated in CIPPS before the loan proceeds can be distributed to the employee. The confirmation email provides this assurance by confirming that the direct deposit to the VACU for the employee named on the form has been (or already is) set up and activated in CIPPS according to the instructions in #5 on the VSELP direct deposit form. **The [FSPRMB@dhrm.virginia.gov](mailto:FSPRMB@dhrm.virginia.gov) email address is for use by payroll officers only.** Employees should be directed to send all questions and concerns to [VaEmpLoans@dhrm.virginia.gov](mailto:VaEmpLoans@dhrm.virginia.gov).

**2. If the employee already has a sufficient amount going to the VACU to cover the loan payment, why does the employee have to send the Loan Program Direct Deposit Form to Payroll and why do we have to send the confirmation email?**

The VSEAF needs to know that repayment of the loan by direct deposit has been activated in CIPPS before the loan proceeds can be distributed to the employee. The confirmation email provides this assurance. In addition, the VSELP direct deposit form includes language specific to payment of outstanding loan balances by direct deposit to the VACU in the event the employee fails to comply with the terms of the agreement or terminates employment before the loan is completely repaid.

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## Virginia State Employee Loan Program – Payroll FAQ, cont.

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**3. When do we send an email to the [FSPRMB@dhrm.virginia.gov](mailto:FSPRMB@dhrm.virginia.gov) mailbox? What should it say?**

As soon as you have received the direct deposit form and confirmed that the deduction in CIPPS has been (or is) activated according to the instructions in #5, send an email with the word “Confirmation” in the subject line to this address stating:

“The direct deposit form for John Doe, employee ID 123456789, has been received and activated in CIPPS.”

**Please be aware that loan proceeds will not be released to the employee until the confirmation email has been sent.** There is **no** need to forward a copy of the direct deposit form and do **not** include the employee’s bank account information in the email.

*Note: Make sure you use the nine-digit CIPPS- employee number with no dashes. Do not use other agency-specific identification numbers.*

**4. When do we process the direct deposit form in CIPPS?**

The direct deposit deduction should be activated as soon as administratively possible according to the instructions in #5 on the direct deposit form and the confirmation email should be sent to the FSPRMB email address at the same time.

*Note - Item #2 in the Payroll Office instructions currently provided on the direct deposit form regarding when to establish the deduction will be removed from the form.*

**5. What if the information on the direct deposit form doesn’t match what is in CIPPS (employee id #, account number, pay frequency, existing direct deposit)?**

If the account number on the form doesn’t match the VACU account number already in CIPPS, contact Felecia Smith or Diana Jones for verification. If any of the other information on the form is incorrect, manually correct and initial the paper copy.

**6. Where does the Loan Program Direct Deposit form come from?**

The VSELP Employee Direct Deposit Authorization or Confirmation form is automatically generated from the approved employee loan application and many of the fields are auto-filled from information from the application. Account # information and fixed amount or net pay options are generated from employee responses to questions on the application.

**7. How do we keep track of the outstanding loan amount for each employee?**

It is not your responsibility to keep track of the outstanding loan amount for the employee; however, you do need to know which employees have outstanding loans so that changes in employment status may be communicated to VSEAF. VSEAF is developing a report that will provide the necessary information and expects to distribute the report very soon.

**8. Will we get a notification to turn off the direct deposit or reduce the amount when the loan has been satisfied?**

No, the deduction is treated just like any other direct deposit deduction and should not be deactivated unless the employee brings you a new direct deposit form to replace the one created from the loan. Otherwise, the direct deposit continues as it is and the VACU will put the money in the employee’s account if the loan balance is zero. The employee’s name will drop off of the report that you are supposed to get from VSEAF each pay period so you won’t have to worry about that employee anymore.

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## Virginia State Employee Loan Program – Payroll FAQ, cont.

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- 9. What should we do if the employee brings us a new regular direct deposit form to replace the VSELP direct deposit form before the loan has been repaid?**  
If the new form is for a financial institution other than the VACU or changes the amount going to the VACU to less than required for the loan, an email with “Termination” in the subject line should be sent to FSPRMB saying “Employee Name, ID #123456789, has submitted a new direct deposit form terminating the loan payment. Please provide payoff amount.”
- 10. The employee already has his net going to the VACU. The amount of the loan payment is \$46.00 per pay period. How can I “flag” \$46.00” of the net for the repayment? I understand if the employee has a fixed amount going to the credit union, I would just increase that amount but with the net going to the VACU?**  
You don’t need to flag the amount of the loan payment. Once the net pay goes to the VACU, they will know how to distribute it to the employee’s accounts.
- 11. What happens if the employee’s pay is docked for one or more pay periods because of LWOP or another valid reason and there is not enough pay to satisfy the direct deposit for the loan?**  
The VSEAF will get a report each pay period from VACU showing missed payments. The VSEAF may contact you to find out why the payment was missed and at that point you can let them know. Or if you know when you are docking the pay that it is an employee with a loan, you can go ahead and let them know if there isn’t going to be enough to cover it for that pay period by sending an email to FSPRMB with “Other” in the subject line.
- 12. Couldn't this have been set up as a separate deduction, sort of like child support where it would go directly to the bank? It would make it much easier to track.**  
Department of Accounts policy prohibits the use of garnishment deductions to create payments for non-court-ordered debt. Payroll is not responsible for tracking payment, only ensuring that the direct deposit has been activated and changes regarding employee status/payment are communicated to VSEAF.
- 13. What am I supposed to do if an employee with a loan terminates employment?**  
Before processing final payment to the employee send an email with “Termination” in the subject line to FSPRMB with employee name, employee id number and date of termination and request loan payoff amount. If employee does not have net pay going to VACU, make sure that the fixed amount is increased to include payoff amount.
- 14. Employees keep asking me when they will get their money from the credit union what can I tell them?**  
Generally, the VACU places the loan proceeds in the employee’s VACU account in 1-2 business days after receipt of the confirmation email from payroll. The employee is responsible for checking his/her account to see when the funds are available.  
*Note: employees who have not received funds after this time period typically have not done step 1 of the loan process properly and can call 804-225-3025.*

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## Virginia State Employee Loan Program – Payroll FAQ, cont.

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### 15. Why are all the employees from my agency being denied a loan?

Independent agencies and some colleges and universities do not use the state Personnel Management Information System (PMIS) system to record personnel data. During the pilot phase of this program, only salaried employees (full-time and part-time employees working at least 32 hours per week) in the PMIS database are eligible to apply.

### 16. How much money does the CVC make on these loans?

Nothing. And more importantly, CVC gifts are NOT used on these loans. The loans are made by the Virginia Credit Union.

### 17. Where can we find information on the loan program?

Please refer program questions to [VaEmpLoans@dhrm.virginia.gov](mailto:VaEmpLoans@dhrm.virginia.gov)

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## Global Opt Out Elections

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### Additional Agency Global Opt-Out

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

- Virginia Museum of Fine Arts
- Christopher Newport University
- Department of Rehabilitative Services
- Gunston Hall
- Eastern State Hospital (was salaried only)
- Central Virginia Training Center
- Department of Juvenile Justice
- Virginia Criminal Sentencing Commission

*Note: Only 10 of 218 agencies using CIPPS have not made any form of global election. What an outstanding response!*

*Also, if you have implemented a mandatory direct deposit policy at your agency, send an email to DOA to receive acknowledgement.*

***We commend these agencies in supporting these cost saving measures!***

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## Changes in PMIS to CIPPS Automated Update

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### Job Description/Middle Name

Effective July 1, 2009 the field "job description" has been removed from the PMIS to CIPPS automatic update. Agencies that need to access this field should do so through PMIS. In the future, additional duplicate fields that are housed in PMIS and have no identified payroll purpose will also be eliminated. In addition, the full middle name field entered into PMIS will now come over to CIPPS whenever a change is made to first, middle or last name in PMIS.

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