Example T – Wage to Salary Promotion

Employee status changed from Wage to Salaried effective 12/3/2012 (the first working day of December) with a Semi-Monthly Salary of $1500 and SP 99 CONTBASE amount of $1500.   The employee is owed $500 hourly wages from the prior pay period in addition to salary for the current pay period.

1. Establish the employee as described in Example J2. The start date of the salaried employment is on the first working day of the month and retirement deductions should start immediately. If the start date is not on the first working day of the month, use either Example J1 or J3.
2. Pay the employee the additional $500 due using HUE01 and an appropriate Special Pay. You may use Special Pay 001 or a Unique Agency Special Pay number established for this purpose.   **NOTE: For ORP Plan employees, <u>DO NOT</u> use SP 001 to process the $500 Hourly Wages. Make sure you use an Agency Unique Special Pay so that the ORP Retirement Plan Deductions (9, 11, 14, 109, 111 and 114) are not processed on the Hourly Wages which are not eligible for Retirement.**
3. On screen HMBU1 be sure to establish the programmatic data for the Special Pay Code you are using with an object code that is specific to employees paid at an hourly rate (example 1141).
4. Retirement Overrides are not necessary because retirement deductions process on the amount of SP 99 CONTBASE ($1500) regardless of the amount of pay received or the Special Pay Numbers used. **ORP Retirement Plan Deductions (9, 11, 14, 109, 111 and 114) will correctly process on the amount of Salaried Regular Pay received for 12/3-12/9/2012.**