

# *Department of Accounts*

## *Payroll Bulletin*

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the 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](mailto:cathy.mcgill@doa.virginia.gov)

State Payroll Operations

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## **Employee Name Formatting**

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**Name and Address  
Corrections**

***DOA is working with DHRM to replace current names and addresses in CIPPS with that found in PMIS in early December (review changes made on the 1006 Change Listing Report). Be sure to have your employees verify their name and address information on their pay stub or in Payline. Corrections should be made in both CIPPS and PMIS.*** The quickest way to review employee names in CIPPS is to scroll through the H0BLS screen. Employee addresses are only available on the H0BID screen.

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**Name and Address  
Format  
Requirements**

Keep the following requirements in mind when entering employee name and address information on the H0BID screen in CIPPS:

1. Name must match exactly what is on social security card.
  2. Name fields can only contain letters, numbers (0-9), spaces, hyphens, periods, and/or apostrophes. Do not use accent marks.
  3. Suffixes must be in this format: last name,(space)suffix; for example, Smith, Jr. Do not use periods after the suffix or extra spaces between the last name and suffix.
  4. All names, addresses, city, state and zip code entries must begin in the first position of the field. Do not leave any blank spaces at the beginning.
  5. You must use a space or dash between the zip code and the extension; zip codes are five digits and extensions are four digits. For example, 22032-1712 or 22032 1712
  6. Do not use periods in state abbreviations; for example, NC not N.C.
  7. State abbreviations must be in the state field, not in the city field or zip code field. Do not use commas after the city name.
  8. You must use alpha characters (letters) in the state abbreviations on the address line; for example, OH not 0H (zero-H is not Ohio)
  9. You must use the official USPO two-position abbreviation for the state name; do not spell out the state name or try to extend it beyond two characters.
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## Employee Name Formatting, cont.

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### SSA Penalties

Failure to follow these formatting requirements may result in a mismatch between the employee's CIPPS record and SSA record which may result in a penalty of \$50 per mismatched record:

- Correct names and SSNs on W-2 wage reports are the keys to the successful processing of your annual wage report submission and result in more accurate wage reports.
  - Saves processing costs and reduces the number of W-2Cs.
  - Allows Social Security to properly credit the employees' earnings record, which will be important information in determining their Social Security benefits in the future.
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## FBMC Vendor Update

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### Prepaid Legal

As a result of numerous complaints about agents of Prepaid Legal, the company was put on probation and temporary suspension for six months effective April 1, 2006. During this time they were not allowed to pursue any new business with the Commonwealth and were required to submit a corrective action plan to address the complaints received. As of October 1, 2006 Prepaid Legal has successfully completed all of the items outlined in the plan and has been re-authorized to solicit new business.

All new enrollments will be coordinated through Fred Duff of Prepaid Legal who has been assigned as the liaison between Prepaid Legal and the agency benefit administrators. The only three agents that will be allowed to work with our agencies are Fred Duff, Rock Jolly and Patricia Moore.

Should you encounter any future problems with this vendor, please do not hesitate to contact Scott Mixon at FBMC by email [smixon@fbmc-benefits.com](mailto:smixon@fbmc-benefits.com) or phone (800) 533-2738 x2115.

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## Clarification of Effect of LWOP on VSDP Benefits

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### Correction to Impact of LWOP on VSDP Eligibility

In Payroll Bulletin 2006-14 distributed October 31, 2006 guidance provided regarding the effect of LWOP on VSDP eligibility was incorrect. In order to be eligible for VSDP benefits, the employee must not be on LWOP on the day indicated by the employee's doctor as the beginning of the disability. The employee may be in LWOP the day before or the day after and still be eligible for benefits.

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## Effective Date of Pay Increase for Hourly Employees

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**Change in  
Language of  
Appropriation Act**

In the past, payroll offices with wage employee pay periods beginning on the 1<sup>st</sup> and 16<sup>th</sup> may have had to calculate wages for the pay period of 11/16 – 11/30 using two rates because of the “11/25” increase. Item 461-G of the 2006 Appropriation Act now states that “The base rates of pay, and related employee benefits, for wage employees may be increased by up to four percent *no earlier than November 25, 2006.*” Whether or not wage employees receive the increase effective November 25 or December 1 is up to agency discretion.

Examples:

Example 1 - Sally Employee is a wage employee whose pay periods are the first through the fifteenth and the sixteenth through the end of the month. Sally received a rating of Contributor on her performance evaluation and is entitled to a four percent increase. Her agency decides to make the increase effective November 25. Her payroll office will need to use two rates to calculate her pay for the pay period of 11/16 – 11/30. Her old rate will apply to hours worked 11/16 – 11/24 and her new rate will apply to hours worked 11/25 – 11/30.

Example 2 – Johnny Worker is a wage employee whose pay periods are also the first through the fifteenth and the sixteenth through the end of the month. Johnny received a rating of Contributor on his performance evaluation and is entitled to a four percent increase. His agency decides to make the increase effective December 1; therefore, he is paid at the old rate for the entire pay period of 11/16 – 11/30 and will be paid at the new rate for the pay period beginning 12/1.

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