

**VSDP  
Example A**

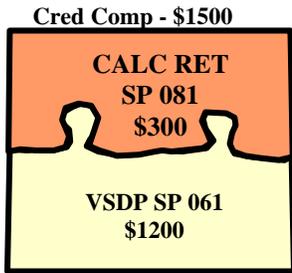
Semi Monthly Salary \$1500; 10-day pay period: 3 days of 100% Income Replacement, 5 days leave used, and 2 days worked.



1. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 divided by 10 working days in pay period = \$150 per day.  
3 days multiplied by \$150 per day = \$450
  - b. Use Special Pay 061 (VSDP BEN) to pay the employee \$450 on HUC01.
2. Calculate Regular Pay due the employee (no change in method).
  - a. \$150 per day  
7 days multiplied by \$150 per day = \$1050
  - b. Key \$1050 on HUA03 to pay the employee Regular Pay
3. In this case, Creditable Compensation calculated on the pay transactions entered matches the Semi-Monthly Salary (\$1500) (the puzzle pictured to the left is complete). There is no need for deduction overrides and this item will not appear on Report 869.

**VSDP  
Example B  
Option 1**

Semi-Monthly Salary \$1500; 10 day pay period: 10 days at 80% Income Replacement, employee chose not to supplement with leave.



1. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 multiplied by 80% = \$1200
  - b. Use Special Pay 061 (VSDP BEN) to pay the employee \$1200 on HUC01.
2. There is no Regular Pay due the employee because they did not supplement with leave.
3. To prevent overrides and keep Report 869 uncluttered, the full amount of Creditable Compensation must be accounted for (the puzzle pictured to the left must be complete).
  - a. Use Special Pay 081 (CALC RET) to enter the difference between the Semi-Monthly Salary and the VSDP Benefits ( $\$1500 - \$1200 = \$300$ ) on HUC01 or HUE01.
  - b. If HUE01 is used, indicators are 000 and the adjustment indicator is blank.
  - c. If the H0BID salary has not been reduced, the Group Life and LTD calculations will calculate correctly without an override.

**VSDP  
Example B  
Option 2**

Semi-Monthly Salary is \$1500; 10 day pay period: 10 days at 80% Income Replacement, employee chose not to supplement with leave.

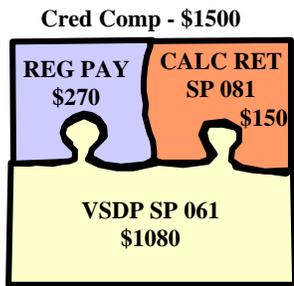
Cred Comp - \$1500



1. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 multiplied by 80% = \$1200
  - b. Use Special Pay 061 (VSDP BEN) to pay the employee \$1200 on HUC01.
2. There is no Regular Pay due the employee because they did not supplement with leave.
3. Compute the amount of individual Retirement (012 or 127, 116, 117), Retiree Credit (105, 115) and applicable Buyback (017, 043) deductions. Key an 8XX transaction override for each deduction on HUD01. (If the H0BID salary has not been reduced, the Group Life and LTD calculations will calculate correctly without an override.)
4. In this case, the full amount of Creditable Compensation is not accounted for (the puzzle pictured to the left is not complete) and items handled this way will show on Report 869. (To avoid this, use the method described in Example B-Option 1.)

**VSDP  
Example C**

Semi-Monthly Salary is \$1500; 10 day pay period: 9 days at 80% Income Replacement, the employee supplemented 9 days with leave, but was LWOP for 1 day.



1. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 divided by 10 working days in pay period = \$150 per day;  
9 days multiplied by \$150 per day = \$1350 multiplied by 80% = \$1080
  - b. Use Special Pay 061 (VSDP BEN) to pay the employee \$1080 on HUC01.
2. Calculate the Regular Pay due for the Leave Supplement.
  - a. \$150 per day multiplied by 9 = \$1350 multiplied by 20% = \$270
  - b. Key \$270 on HUA03 to pay the employee Regular Pay.
3. Calculate the amount of the dock for LWOP.
  - a. \$150 per day multiplied by 1 = \$150
  - b. Since Creditable Compensation should not be reduced for LWOP use Special Pay 081 (CALC RET) on HUC01 or HUE01 (indicators are 000, adjustment indicator is blank) to account for the unpaid portion (\$150).
4. No retirement deduction overrides are necessary since the full amount of Creditable Compensation is accounted for (the puzzle is complete as pictured on the left). This item will not appear on Report 869.

**VSDP  
Example D**

**Cred Comp - \$1537.50**

**VSDP  
SP 061  
\$1537.50**

Employee receives a pay increase effective mid pay-period, 10 day pay period: 10 days at 100% Income Replacement. Employee should receive 5 days at the new rate (\$1575) and 5 days at the previous rate (\$1500).

1. Calculate the VSDP Benefits due the employee (no change in method).
  - a.  $\$1500 \text{ divided by } 10 \text{ working days in pay period} = \$150 \text{ per day}$   
 $\$1575 \text{ divided by } 10 \text{ working days in pay period} = \$157.50 \text{ per day}$   
 $5 \text{ days multiplied by } \$150 \text{ per day} = \$750$   
 $5 \text{ days multiplied by } \$157.50 \text{ per day} = \$787.50$   
 $\$750 \text{ plus } \$787.50 = \$1537.50$
  - b. Use Special Pay 061 (VSDP BEN) to pay the employee \$1537.50 on HUC01.
2. In this case, Creditable Compensation does not match the new Semi-Monthly Salary rate on HOBID. The Creditable Compensation amount is \$1537.50, while the HOBID reflects the new Salary Rate of \$1575. (Group Life and LTD will calculate based on the new salary rate – there is no need to perform deduction overrides as the group insurance coverage is based on the new annual salary.)
3. Because the total amount of Creditable Compensation is accounted for in the Special Pay 061 transaction, there is no need to key 8XX deduction overrides (the puzzle pictured to the left is complete.) This item will not show on Report 869.

**VSDP  
Example E  
Option 1**

Employee will go on LTD status mid pay-period during the **first** pay period of the month, Semi-Monthly Salary is \$1500; 10 day pay period: 5 days at 60% Income Replacement, employee chose not to supplement with leave or disability credits.

Cred Comp - \$1500  
reported by TPA

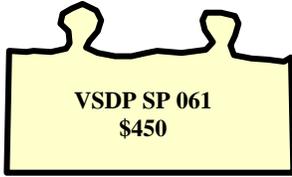


1. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 divided by 10 working days in pay period = \$150 per day  
5 days multiplied by \$150 per day = \$750  
750 multiplied by 60% = \$450
  - b. Use Special Pay 061 (VSDP BEN) to pay the employee \$450 on HUC01.
2. The employee is considered to be on the VSDP TPA's payroll during the **entire** month of transition from STD to LTD and will be credited for the full month of creditable compensation and service credit by VRS **but no contributions are owed by the employee or employer.**
  - c. Change the Retirement Code on HMCU1 to "LT" to turn off Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), Group Life (102, 120) and LTD (106, 136, 104, 144) deductions on H0ZDC.
  - d. Overrides are necessary on all of these deductions if you do not change the Retirement Code on HMCU1 to "LT."
3. This item will show on Report 869.

**VSDP  
Example E  
Option 2**

Employee will go on LTD status mid pay-period during the **second** pay period of the month, Semi-Monthly Salary is \$1500; 10 day pay period: 5 days at 60% Income Replacement, employee chose not to supplement with leave or disability credits.

Cred Comp - \$1500  
reported by TPA



1. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 divided by 10 working days in pay period = \$150 per day  
5 days multiplied by \$150 per day = \$750  
750 multiplied by 60% = \$450
  - b. Use Special Pay 061 (VSDP BEN) to pay \$450 on HUC01. You must use HUC01 so that the deduction refunds will process.
2. The employee is considered to be on the VSDP TPA's payroll during the **entire** month of transition from STD to LTD and will be credited for the full month of creditable compensation and service credit by VRS **but no contributions are owed by the employee or employer.**
  - e. During the first pay period of the month - The Retirement Code on HMCU1 should be changed to "LT" to turn off Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), Group Life (102, 120) and LTD (106, 136, 104, 144) deductions on H0ZDC based on the anticipated date of transition from STD to LTD provided on the Action Report.
  - f. Overrides are necessary on all of these deductions if you do not change the Retirement Code on HMCU1 to "LT."
3. If the Retirement Code was not changed during the **first** pay period of the month and contributions were taken, deduction refunds must be processed at this time.
  - a. These adjustments must be entered on HTODA as an automated 1501 See the screenprint on the next page.
  - b. On the 503 line fill in a check no, check date, and begin and end date using the dates of the prior pay period so that the adjustment is recorded by VRS in the proper period.
  - c. Enter the total amount that the employee paid for deductions 012 (Emp Ret), 017 and 043 (Buyback) in "Net Pay". Use indicators "P" and "Y".
  - d. On the 500 line, leave all fields blank. Use Indicators "P" and "Y".
4. Use both of the 550 lines to enter all applicable deduction amounts for Retirement (012, 116, 117, 127), Retiree Credit (105, 115), Group Life (102, 120), LTD (106, 136, 104, 144) and Buyback (017, 043). Use Indicators "M" and "Y" for each line used.
5. This item will show on Report 869.

VSDP  
 Example E  
 Option 2,  
 continued

SNA

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> GUH 00230 ON HTODA

--EMPLOYEE DEDUCTION REFUND/ADJUSTMENT--

\_\_\_ COMPANY--> 00230 EMPLOYEE NO--> 0000310690 - 0 PAGE NUMBER--> 00001

TRN	CHECK NO.	CHK DT	BEG DT	END DT	REAS	TU	NET	+ Y
503	2300000001	07162011	06252011	07092011	___	000	00000007500	P Y
ST/LOC	FIT	OASDI	HI	OTHER	GROSS	+ Y		
500	000000	000000000000	000000000000	000000000000	000000000000	P Y		
		SIT	LOCAL	DI				
		000000000000	000000000000	000000000000				

\*----- VOLUNTARY DEDUCTIONS -----\*

550	012	00000007500	116	00000003120	117	00000006750	120	00000000420	M Y
	102	00000001110	000	000000000000	000	000000000000			
550	115	00000000150	105	00000001335	144	00000001500	104	00000000990	M Y
	000	000000000000	000	000000000000	000	000000000000			

DEDUCTIONS + TAXES + NET = TOTAL PAYS = GROSS

00000007500- 00000000000 00000007500 00000000000 00000000000

08/18/11 09:53:29 1 M3LL CIP5 \_\_\_

4B A 05/02

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**VSDP  
Example F  
Option 1**

Semi-Monthly Salary is \$1500, Worker's Comp Daily Indemnity Rate is \$100; 10 day pay period: 9 days at 80% Income Replacement, employee chose to supplement 9 days with leave, but was LWOP for 1 day.

Cred Comp - \$1500

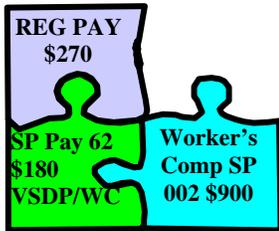
REG PAY \$270	CALC RET SP 081 \$150
SP 062 \$180 VSDP/WC	Worker's Comp SP 002 \$900

1. Calculate the amount of Worker's Comp Benefits due the employee.
  - a. \$100 multiplied by 9 = \$900
  - b. Use Special Pay 002 (WRK COMP) to pay \$900 on HUE01.
2. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 divided by 10 working days in pay period = \$150 per day  
9 days multiplied by \$150 per day = \$1350 multiplied by 80% = \$1080  
\$1080 - \$900 (Worker's Comp) = \$180 VSDP/WC Benefits Due
  - b. Use Special Pay 062 (WCSDPBEN) to pay \$180 on HUE01.
3. Calculate the Regular Pay Due for the Leave Supplement.
  - a. \$150 per day multiplied by 9 = \$1350 multiplied by 20% = \$270
  - b. Key \$270 on HUA03 to pay the employee Regular Pay.
4. Calculate the amount of the dock for LWOP.
  - a. \$150 per day multiplied by 1 = \$150
  - b. Since LWOP does not reduce the Creditable Compensation base, enter \$150 on HUE01 (indicators 000, adjustment indicator is blank) using Special Pay 081 (CALC RET).
5. No retirement deduction overrides are necessary since all of the Creditable Compensation is accounted for and this item will not appear on Report 869.

**VSDP  
Example F  
Option 2**

Semi-Monthly Salary is \$1500, Worker's Comp Daily Indemnity Rate is \$100; 10 day pay period: 9 days at 80% Income Replacement, employee chose to supplement 9 days with leave, but was LWOP for 1 day.

Cred Comp - \$1500



1. Calculate the amount of Worker's Comp Benefits due the Employee.
  - a. \$100 multiplied by 9 days = \$900
  - b. Use Special Pay 002 (WRK COMP) to pay \$900 on HUE01.
2. Calculate the VSDP Benefits due the employee (no change in method).
  - a. \$1500 divided by 10 working days in pay period = \$150 per day  
9 days multiplied by \$150 per day = \$1350 multiplied by 80% = \$1080  
\$1080 - \$900 (Worker's Comp) = \$180 VSDP/WC Benefits Due
  - b. Use Special Pay 062 (WCSDPBEN) to pay the employee \$180 on HUE01.
3. Calculate the Regular Pay due for the Leave Supplement.
  - a. \$150 per day multiplied by 9 days = \$1350 multiplied by 20% = \$270
  - b. Key \$270 on HUA03 to pay the employee Regular Pay.
4. Because all of the Creditable Compensation is not accounted for in the transactions entered 8XX overrides must be calculated and entered for all applicable Retirement (012 or 127, 116, 117), Retiree Credit (105, 115) and Buyback (017, 043) deductions on HUD01 (the puzzle pictured to the left is not complete). This item will show on Report 869.

**Pay Dock  
Example G**

**Cred Comp - \$0  
Reg Pay - \$0**

Employee is on Non-Auto Status and is not due any pay for the pay period.

1. **DO NOT** collect Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), or Buyback (017, 043) deductions. If the employee has no Creditable Compensation in the period, retirement contributions for the period are not owed.
2. Group Life and LTD will calculate automatically based on the Semi-Monthly rate on H0BID. Allow those benefits to process.
3. This item will not show on Report 869.

**Pay Dock  
Example H  
Option 1**

Semi-Monthly Salary is \$1500; 10 Day Pay Period: 1 Day of LWOP

Cred Comp - \$1500



1. Calculate the amount of LWOP to dock.
  - a. \$1500 divided by 10 work days = \$150 per day
  - b. Use Special Pay 075 (DOCK&BEN) on HUE01 to dock Regular Pay \$150.
  - c. All indicators should be zeros. Do not use the adjustment indicator.
2. Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), or Buyback (017, 043) deduction overrides are not necessary because all of the Creditable Compensation is accounted for (the puzzle to the left is complete). This item will not show on Report 869.

**Pay Dock  
Example H  
Option 2**

Semi-Monthly Salary is \$1500; 10 Day Pay Period: 1 Day of LWOP

Cred Comp - \$1500



1. Calculate the amount of Regular Pay due the employee.
  - a. \$1500 divided by 10 work days = \$150 per day  
\$150 multiplied by 9 work days = \$1350
  - b. Key \$1350 on HUA03 as a Regular Pay override.
2. Calculate the amount needed to satisfy the full amount of Creditable Compensation due.
  - a. \$1500 divided by 10 work days = \$150 per day
  - b. Use Special Pay 081 (CALC RET) to enter \$150 on HUE01.
  - c. All indicators should be zero. Do not use the adjustment indicator.
3. Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), or Buyback (017, 043) deduction overrides are not necessary because all of the Creditable Compensation is accounted for (the puzzle to the left is complete). This item will not show on Report 869.

**Pay Dock  
Example H  
Option 3**

Semi-Monthly Salary is \$1500; 10 Day Pay Period: 1 Day of LWOP

Cred Comp - \$1500



1. Calculate the amount of Regular Pay due the employee.
  - a. \$1500 divided by 10 work days = \$150 per day  
\$150 multiplied by 9 work days = \$1350
  - b. Key \$1350 on HUA03 as a Regular Pay override.
2. Because all of the Creditable Compensation is not accounted for in the transactions entered 8XX overrides must be calculated and entered for all applicable Retirement (012 or 127, 116, 117), Retiree Credit (105, 115) and Buyback (017, 043) deductions on HUD01 (the puzzle pictured to the left is not complete). This item will show on Report 869. (If the HOBID salary was not reduced, the Group Life and LTD calculations will calculate correctly without an override.)

**Pay Dock  
Example I**

Semi-Monthly Salary is \$1500; 10 Day Pay Period: Employee is out the entire period and has only 3 hours of leave to use for the period.

Cred Comp - \$0



1. Calculate the amount of Regular Pay due the employee.
  - a. \$1500 divided by 80 hours = \$18.75 per hour  
\$18.75 multiplied by 3 hours leave = \$56.25 Regular Pay
  - b. Key \$56.25 on HUA03 as a Regular Pay override.
2. The employee has Creditable Compensation (\$56.25) in the pay period so 5% of the employee's full Semi-Monthly Salary should be deducted for Deduction 012 (Emp Ret). However, since there is not enough pay to collect the 5% (\$1500 multiplied by 5% = \$75), nothing will be deducted and the employee will not be credited with service for that pay period. CIPPS will not collect a partial deduction for the 5% employee-paid Retirement or Buyback deductions and the transactions will not recycle, but will be included on Report 14, Deductions Not Taken Register. Do not collect in the next pay period.
3. *Retirement (116, 117) and Retiree Credit (105, 115) overrides are necessary on HUD01 to prevent the employer-paid retirement deductions from calculating. This item will show on Report 869. Do not collect in the next pay period.*
4. Group Life and LTD should be collected. Allow these to calculate automatically.

**Pay Dock  
Example J**

Employee begin date is mid pay-period. Semi-Monthly Salary is \$1500, Time Card Status on HOBID is Automatic; 10 Day Pay Period: employee worked 1 day.

Cred Comp - \$150

**REG PAY  
\$150**

**PAY DOCK  
SP 076  
\$1350**

1. Calculate the amount of Regular Pay to be docked.
  - a. \$1500 divided by 10 working days = \$150 per day  
\$150 multiplied by 9 days = \$1350
  - b. Use Special Pay 076 (PAYDOCK) to enter \$1350 on HUE01.
  - c. All indicators should be zeros. Do not use the adjustment indicator.
  - d. This special pay will dock \$1350 from the employee's automatic Regular Pay and reduce Creditable Compensation. (This transaction has the same effect as entering a Regular Pay override on HUA03.)
  
2. Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), or Buyback (017, 043) deduction overrides are not necessary because all of the Creditable Compensation is accounted for (the puzzle to the left is complete – SP 076 is shown as a circle because it is not used to compute Creditable Compensation). This item will not show on Report 869.

**Pay Dock  
Example K**

Termination mid pay-period. Semi-Monthly Salary is \$1500, 10 day pay period: 1 day worked

**Cred Comp - \$150**

**REG PAY  
\$150**

1. Calculate the amount of Regular Pay due the employee.
  - a. \$1500 divided by 10 working days = \$150 per day
  - b. Key \$150 on HUA03 as a Regular Pay override.
2. In this case, Creditable Compensation does not match the Semi-Monthly Salary rate amount on HOBID. The correct Creditable Compensation amount is \$150 because the employee has terminated employment mid pay-period. The HOBID reflects the Semi-Monthly Salary Rate of \$1500.
3. Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), or Buyback (017, 043) deduction overrides are not necessary because all of the Creditable Compensation is accounted for (the puzzle to the left is complete). This item will not show on Report 869.

**Pay Dock**  
**Example L**  
**Option 1**

Employee worked 25<sup>th</sup> through 30<sup>th</sup> (end of the month), retired on 1<sup>st</sup>. Semi-Monthly Salary is \$1500; 10 day pay period: 5 Days worked

Cred Comp - \$0



1. Calculate the amount of Regular Pay due the employee.
  - a. \$1500 divided by 10 working days in pay period = \$150 per day  
5 days multiplied by \$150 per day = \$750
  - b. Enter \$750 on HUC01 using an agency unique Special Pay code that is not included in Creditable Compensation calculations.\*
2. There is no Creditable Compensation for this period as Retirees cannot be reported to VRS beyond the 24<sup>th</sup> of the month in which they retire. (Since this Special Pay is not a part of the Creditable Compensation, it is pictured as a round piece of the puzzle and it does not fit into the square Creditable Compensation puzzle.) No retirement overrides are necessary and this item will not show on Report 869.

\*If you do not already have a special pay code with these characteristics established, contact JR Rodgers at [john.rodgers@doa.virginia.gov](mailto:john.rodgers@doa.virginia.gov) to establish one if desired.

**Pay Dock**  
**Example L**  
**Option 2**

Employee worked 25<sup>th</sup> through 30<sup>th</sup> (end of the month), retired on 1<sup>st</sup>. Semi-Monthly Salary is \$1500; 10 day pay period: 5 Days worked

Cred Comp - \$0



1. Calculate the amount of Regular Pay due the employee.
  - a. \$1500 divided by 10 working days in pay period = \$150 per day  
5 days multiplied by \$150 per day = \$750
  - b. Key \$750 as an HUA03 Regular Pay Override
2. There is no Creditable Compensation for this period as Retirees cannot be reported to VRS beyond the 24<sup>th</sup> of the month in which they retire. Change the Retirement Code on HMCU1 to "LT" to turn off Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), Group Life (102, 120) and LTD (106, 136, 104, 144) deductions on H0ZDC. Overrides are necessary on all of these deductions if you do not change the Retirement Code on HMCU1 to "LT".
3. This item will appear on Report 869.

**Non-VSDP  
Worker's Comp,  
First 92 days  
Example M**

Semi-Monthly Salary is \$1500, Workers Comp Daily Indemnity Rate is \$100, Timecard Status on HOBID is "Non-Auto"; 10 day pay period. Employee on Non-VSDP Sick Leave Plan has a Worker's Compensation Claim. The claim is within the first 92 days of injury so the agency supplements the Worker's Comp payment to equal the Semi-Monthly Salary.

Cred Comp - \$1500



1. Calculate the amount of the Worker's Comp payment.
  - a. \$100 multiplied by 10 days = \$1000
  - b. Use Special Pay 002 (WRK COMP) to pay \$1000 on HUE01.
  - c. All indicators should be zeros, adjustment indicator is blank.
2. Calculate the amount of the Non VSDP Worker's Comp Supplement.
  - a.  $\$1500 - \$1000 = \$500$
  - b. Use Special Pay 063 (WC SUPP) to pay \$500 on HUE01.
3. Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), or Buyback (017, 043) deduction overrides are not necessary because all of the Creditable Compensation is accounted for (the puzzle to the left is complete). This item will not show on Report 869.

**Retro Adjustment  
Example N  
Option 1**

**PRIOR PERIOD**  
Cred Comp \$1500



**CURRENT PERIOD**  
Cred Comp \$1500



Semi-Monthly Salary is \$1500. Employee was docked for 1 day in the previous pay period (\$150), but Creditable Compensation was not reduced (the full 5% retirement deduction (012 or 127) was taken). The LWOP was rescinded in the following pay period. The employee should be repaid for the amount of dock, but no retirement benefits are due on the amount.

**IF YOU USED SPECIAL PAY 075 or SPECIAL PAY 081 TO ACCOUNT FOR THE DOCK AND THE AMOUNT IS IN YTD...**

**You can reverse the dock using a manual payset on HTPSA.**

1. On the 503 line, fill in a check no, check date, begin and end date and key the full amount of the dock in "NET PAY". Use indicators "P" and "Y". (Taxes will be taken as appropriate)
2. On the first 400 line, key the full amount of the dock in "AMT". Use indicators "P" and "Y".
3. On the 500 line, key the full amount of the dock in "GROSS". Use indicators "P" and "Y".
4. On the first 6XX line, key "075" or "081" in "PAY" and the full amount of the dock in "AMT". Use indicators "M" and "Y".

Retirement, Retiree Credit or Buyback deduction overrides are not necessary because all of the Creditable Compensation is accounted for (the puzzle to the left is complete). This item will not show on Report 869.

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> GUH 230 ON HTPSA
-----EMPLOYEE SPECIAL PAY ADJUSTMENT-----
COMPANY--> 00230 EMPLOYEE NO--> 0000310690 - 0 PAGE NUMBER--> 00001
TRN CHECK NO.  CHK DT  BEG DT  END DT  REAS TU    NET      + Y
503 2300000001  08012011 06252011 07092011  _ 000 00000015000  P Y
ST/LOC DPT/DIV OT SH  FROM    TO      HOURS  AMT / LAB CODE  SUI ST
400 000000  _ 0 0 00000000 00000000 0000000 000000015000  00  P Y
400 000000  _ 0 0 00000000 00000000 0000000 000000000000  00  _ _
ST/LOC FIT / OASDI  SIT / HI  LOCAL / DI  OTHER  GROSS  + Y
500 000000 000000000000 00000000000 00000000000 00000000000 00000015000  P Y
00000000000 00000000000 00000000000
PAY ST/LOC DP/DV PISU  FROM    TO      HOURS  AMT / LABOR NON TAXABLE + Y
6XX 075 000000  _ 0 00 00000000 00000000 0000000 000000015000 00000000000 M Y
6XX 000 000000  _ 0 00 00000000 00000000 0000000 000000000000 00000000000 _ _
TAXES 00000000000 +NET 00000015000 =TOT PAYS 00000015000 =GROSS 00000015000

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**Retro Adjustment  
Example N  
Option 2**

Semi-Monthly Salary is \$1500. Employee was docked for 1 day in the previous pay period (\$150), but Creditable Compensation was not reduced (the full 5% retirement deduction (012 or 127) was taken). The LWOP was rescinded in the following pay period. The employee should be repaid for the amount of dock, but no retirement benefits are due on the amount.

**PRIOR PERIOD**  
Cred Comp \$1500



1. Pay the amount due the employee for the rescinded LWOP (\$150) using an Agency Unique Special Pay Number on HUE01 or HUC01.
2. Using this option, there are no overrides and the item will not show on Report 869. The Creditable Compensation remained whole for the Prior Period and the money was paid in the next period using an Agency Unique Special Pay that is not included in Creditable Compensation.

**CURRENT PERIOD**  
Cred Comp \$1500



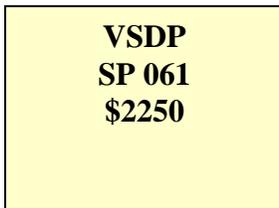
**Retro Adjustment  
Example O  
Option 1**

Semi-Monthly Salary is \$1500; Prior Pay Period of 10 Days: Waiting for VSDP approval, no leave balances to cover absence, docked for 5 days, full retirement deductions collected. Current Pay Period: VSDP is approved retroactive to prior period. Employee is due 5 of 10 days at 100% VSDP benefits for the previous period and full 100% VSDP for the current period.

**PRIOR PERIOD  
Cred Comp \$1500**



**CURRENT PERIOD  
Cred Comp \$1500**



1. Calculate the additional VSDP money due the employee from the prior period (\$750).
2. Add that to the VSDP due the employee for the current period (\$1500).
3. Enter the combined total (\$2250) on HUC01 as Special Pay 061 (VSDP BEN)
4. Calculate the amount of Retirement (012 or 127, 116, 117), Retiree Credit (105, 115) and Buyback (017, 043) based on Creditable Compensation for the **CURRENT PERIOD ONLY (\$1500)** and enter deduction overrides on HUD01.
5. Because the Creditable Compensation for the current period does not match the amount paid in the current period, this item will show on Report 869. No reporting adjustments to VRS are necessary.

**Retro Adjustment  
Example O  
Option 2**

**PRIOR PERIOD**  
Cred Comp \$1500

CALC RET SP 081 -\$750	VSDP SP 061 +\$750
ORIGINAL SP 061 RECEIVED \$750	

**CURRENT PERIOD**  
Cred Comp \$1500

VSDP SP 061 \$1500
--------------------------

Semi-Monthly Salary is \$1500; Prior Pay Period of 10 Days: Waiting for VSDP approval, no leave balances to cover absence, docked for 5 days, full retirement deductions collected. Current Pay Period: VSDP is approved retroactive to prior period. Employee is due 5 of 10 days at 100% VSDP benefits for the previous period and full 100% VSDP for the current period.

**IF YOU USED SPECIAL PAY 081 TO ACCOUNT FOR THE DOCK AND THE AMOUNT IS IN YTD...**

**You can reverse the dock using a manual payset on HTPSA.**

1. On the 503 line, fill in a check no, check date, begin and end date and key the full amount of the dock in "NET PAY". Use indicators "P" and "Y". (Taxes will be taken as appropriate).
2. On the first 400 line, do not key any dollar amounts. Use Indicators "P" and "Y".
3. On the 500 line, key the full amount of the dock in "GROSS". Use Indicators "P" and "Y".
4. On the first 6XX line, key "081" in "PAY" and the full amount of the dock in "AMT". Use Indicators "M" and "Y".
5. On the second 6XX line, key "061" in "PAY" and the full amount of the dock in "AMT". Use Indicators "P" and "Y".

```

> GUH 230,0099999900 ON HTPSA
-----EMPLOYEE SPECIAL PAY ADJUSTMENT-----
__ COMPANY--> 00230 EMPLOYEE NO--> 0099999990 - 0 PAGE NUMBER--> 00001

TRN CHECK NO.  CHK DT  BEG DT  END DT  REAS  TU    NET      + Y
503 2300000001  08012011 06252011 07092011  ___  000 00000075000  P Y
   ST/LOC DPT/DIV OT SH  FROM    TO    HOURS  AMT / LAB CODE  SUI ST
400 000000  _____  0 0 00000000 00000000 0000000 000000000000  00  P Y
400 000000  _____  0 0 00000000 00000000 0000000 000000000000  00  _ _

   ST/LOC FIT / OASDI  SIT / HI  LOCAL / DI  OTHER  GROSS  + Y
500 000000 000000000000 0000000000 0000000000 0000000000 00000075000  P Y
   00000000000 00000000000 00000000000

   PAY ST/LOC DP/DV PISU  FROM    TO    HOURS  AMT / LABOR NON TAXABLE + Y
6XX 081 000000  _____  0 00 00000000 00000000 0000000 00000075000 00000000000 M Y
6XX 061 000000  _____  0 00 00000000 00000000 0000000 00000075000 00000000000 P Y

TAXES 00000000000 +NET 00000075000 =TOT PAYS 00000075000 =GROSS 00000075000

```

## Retro Adjustment Example P

**PRIOR PERIOD**  
Cred Comp \$1500

Calc Ret SP 081 \$750
VSDP SP 061 \$750

**CURRENT PERIOD**  
Cred Comp \$1500

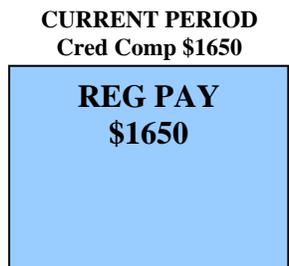
VSDP SP 061 \$1500
--------------------------

Semi-Monthly Salary is \$1500; Prior Pay Period of 10 Days: Waiting for VSDP approval, no leave balances to cover absence, no payment to employee and no deductions for Retirement, Retiree Credit or Buyback were processed. Current Pay Period: VSDP is approved retroactive to prior period and employee is due 5 of 10 days (other 5 days were waiting period) at 100% VSDP benefits for the previous period and full 100% VSDP for the current period.

1. Compute and pay the amount of VSDP that is due for the previous period (\$750).
  - a. 100% VSDP benefit for 5 days multiplied by \$150/day =
  - b. Use Special Pay 061 (VSDP BEN) on HUC01 or HUE01 (indicators **must** be Tax "5", Check "0" and Deductions "0").
  - c. Enter the Pay Period that the adjustment is for in "Date From" and "Date To". There should be a separate transaction for each pay period when multiple periods are involved. Each period will be treated as a separate payment even when check indicator of 0 is used.
  - d. Enter the dollar amount of the adjustment in the "Rate/Amount" field.
2. Compute the remaining amount of Creditable Compensation for the prior pay period.
  - a. \$1500 semi-monthly salary minus \$750 VSDP benefits = \$750.
  - b. Use Special Pay 081 (CALC RET) on **HUE01 (cannot use HUC01)**.
  - c. You must use indicators Tax "5", Check "0" and Deductions "0".
  - d. Enter the Pay Period that the adjustment is for in "Date From" and "Date To". **THESE DATES MUST MATCH THE "FROM" AND "TO" DATES USED IN STEP 1.**
  - e. Enter the dollar amount of the adjustment (\$750) in the "Rate/Amount" field.
3. Determine if deduction overrides are needed. Because the transactions for the prior pay period are identified by the "From" and "To" dates, the transaction in Step 1 will be treated as a separate payment and every deduction on H0ZDC will be taken from that payment. Group Insurance (102, 120) and LTD (104, 106, 136, 144) deductions were taken in the prior period so overrides should be entered on HUD01 to ensure that payment is made only for the current pay period. The remaining non-retirement deductions should be analyzed to determine if additional overrides are necessary to ensure proper payment.
4. Compute the amount of VSDP due for the current pay period.
  - a. Key \$1500 to Special Pay 061 (VSDP BEN) on HUC01 ("special as regular" so that deduction overrides will process)
  - b. Do not key any "From" and "To" Dates for the current pay period amounts.
5. This item will not appear on Report 869.

**Retro Adjustment  
Example Q  
Option 1**

\$1500 Semi-Monthly Salary increased to \$1650 Semi-Monthly, retroactive to the prior pay period.



1. Calculate the amount of retro pay due the employee for the prior pay period.
  - a.  $\$1650$  minus  $\$1500 = \$150$
  - b. Add the total amount of retro pay due the employee ( $\$150$ ) to the new Semi-Monthly Salary:  $\$150 + \$1650 = \$1800$ .
  - c. Enter this amount ( $\$1800$ ) on HUA03 as a Regular Pay override.
2. Calculate the amount of the Retirement (012 or 127, 116, 117), Retiree Credit (105, 115) and Buyback deductions (017, 043) necessary for the new Semi-Monthly Salary ( $\$1650$ ) in the current period.
  - a. Enter individual HUD01 override transactions for each of these deductions based on the amount of the new semi-monthly rate.
  - b. Group Life and LTD will automatically calculate correctly based on the new rate.
3. Calculate the Retirement, Retiree Credit, Group Life, LTD, and Buyback deduction adjustments necessary for the retro increase.
  - a. These adjustments must be entered on HTODA as an automated 1501 to ensure that the proper period is reported to VRS. See the screen print on the next page.
  - b. On the 503 line fill in a check no, check date, and begin and end date using the dates of the prior pay period so that the adjustment is recorded by VRS in the proper period.
  - c. Enter the total amount that the employee will pay for deductions 012 (Emp Ret), 017 and 043 (Buyback) in "Net Pay". Use indicators "M" and "Y".
  - d. On the 500 line, leave all fields blank. Use Indicators "M" and "Y".
  - e. Use both of the 550 lines to enter all applicable deduction amounts for Retirement, Retiree Credit, Group Life, LTD and Buyback. Use Indicators "P" and "Y" for each line used.
4. The item will appear on Report 869.
5. Imputed Life will need to be adjusted on HTPSA for the retroactive months. Research to see if the employee had any overtime, shift pay, or other items that may need adjusting for the retroactive periods. Key adjustment transactions as necessary.

**Retro Adjustment  
Example Q, Option  
1 continued**

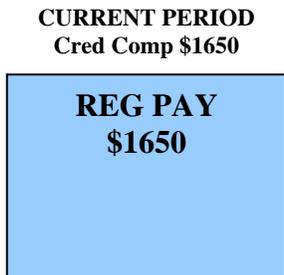
```

> GUH 230,00001357200 ON HTODA
--EMPLOYEE DEDUCTION REFUND/ADJUSTMENT--
COMPANY--> 00230 EMPLOYEE NO--> 0000999990 - 0 PAGE NUMBER--> 00001
TRN CHECK NO. CHK DT BEG DT END DT REAS TU NET + Y
503 2300000001 07162011 06102011 06242011 _ 000 00000000750 M Y
ST/LOC FIT OASDI HI OTHER GROSS + Y
500 000000 000000000000 000000000000 000000000000 000000000000 000000000000 M Y
000000000000 000000000000 000000000000
*----- VOLUNTARY DEDUCTIONS -----*
550 012 00000000750 116 00000001160 117 00000002015 105 00000000134 P Y
115 00000000015 000 00000000000 000 00000000000
550 102 00000000111 120 00000000042 104 00000000099 144 00000000150 P Y
000 00000000000 000 00000000000 000 00000000000
DEDUCTIONS + TAXES + NET = TOTAL PAYS = GROSS
00000000750 00000000000 00000000750- 00000000000 00000000000

```

**Retro Adjustment  
Example Q  
Option 2**

\$1500 Semi-Monthly Salary increased to \$1650 Semi-Monthly, retroactive to the prior pay period.



1. Calculate the amount of retro pay due the employee for the prior pay period.
  - a. \$1650 minus \$1500 = \$150
  - b. Use Special Pay 082 (RETRO PAY) on HUE01 (see screen print on next page).
  - c. Use indicators Tax “5”, Check “1” and Deductions “7”.
  - d. Enter the Pay Period that the adjustment is for in “Date From” and “Date To”. There should be a separate transaction for each pay period when multiple periods are involved. Each period will be treated as a separate payment even when check indicator of “0” is used.
  - e. Enter the dollar amount of the adjustment in the “Rate/Amount” field.
2. The HUE01 transaction will handle all of the Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), and Buyback (017, 043) deductions automatically. The item will not appear on Report 869 if you use this option.
3. Group Life and LTD Benefits should be calculated and entered on HTODA as instructed in Payroll Bulletin 2005-07.
4. Imputed Life will need to be adjusted on HTPSA for the retroactive months.
5. Research to see if the employee had any overtime, shift pay, or other items that may need adjusting for the retroactive periods. Key adjustment transactions as necessary.

```

> GUH 00230,0001 ON HUE01
-----SPECIAL PAYMENTS-----
__ COMPANY--> 00230 BATCH NUMBER--> 0001 PAGE NUMBER--> 00001

EMPLOYEE T      T C D
NUMBER   C      PAY STATE DEPT A H E DATE DATE HOURS RATE/AMT
        D TRN NO LOCAL SEC X K D FROM TO   WORKFIELD ADJ AU
        (2ND LINE) DIV/OF LABOR CODE      0000000 0000001500
0000999990 0 9XX 082 000000 _____ 5 1 7 06102011 06242011 000000000000 1

```

**Non-Routine  
Example R  
Option 1**

Semi-Monthly Salary is \$1500; Pay Period of 10 Days: Notified after normal certification that employee had 2 days LWOP. Stop payment on original payment is complete, non-routine payroll to process correct pay to employee.

Cred Comp \$1500



1. Calculate correct Regular Pay due employee.
  - a. \$1500 divided by 10 days = \$150 times 8 days = \$1200
  - b. Enter \$1200 on HUE01 using Special Pay 001 (TAXABLE) with indicators Tax "5", Check "0", Deductions "0".
2. Calculate remainder of Creditable Compensation.
  1. \$1500 less \$1200 = \$300
  2. Enter \$300 on HUE01 using Special Pay 081 (CALC RET) with indicators Tax "0", Check "0" and Deductions "0".
3. No retirement deduction overrides are necessary and this item will not show on Report 869. See Non-Routine Example B if other deduction overrides are required.
4. Certify the non-routine payroll on PYCTF using a "9" as the Pay Type (deduction overrides will not process using "9").

NOTE: If Step 2 is omitted, the full amount of Creditable Compensation will not be calculated. The retirement deductions (012 or 127, 116, 117) will calculate based only on the amount in Special Pay 001 (TAXABLE) which has been reduced for the dock. Adjustments will be required on the next regular payroll.

**Non-Routine  
Example R  
Option 2**

Cred Comp \$1500



Semi-Monthly Salary is \$1500; Pay Period of 10 Days: Notified after normal certification that employee had 2 days LWOP. Stop payment on original payment is complete, non-routine payroll to process correct pay to employee.

1. On HOBID change the employee's frequency to another semi-monthly frequency that is not used by any other payroll for your agency. Make sure this is the only employee in this frequency.
2. Calculate amount of Regular Pay to dock.
  1. \$1500 divided by 10 days = \$150 times 2 days = \$300
  2. Enter \$300 on HUE01 using Special Pay 075 (DOCK&BEN).
  3. All indicators should be zeros. Do not use the adjustment indicator.
4. No Regular Pay overrides are necessary and this item will not show on Report 869.
5. Group Life, LTD and Imputed Life will calculate correctly with this option.
6. Certify the non-routine payroll on PYCTF using a "3" as the Pay Type. Make sure this is the only employee with the frequency you chose in Step 1. All employees who have this frequency will be paid.
7. After this payroll processes, change the employee's frequency on HOBID back to its original value.

## Leave Share Example S

Cred Comp \$1500



Semi-Monthly Salary is \$1500, Timecard Status on HOBID is “automatic”; Pay Period of 10 days: 1 day of Regular Pay and 9 days of leave share. Because this employee has 1 day of Regular Pay, the 5% employee-paid member contribution is due on the full semi-monthly salary amount (Creditable Compensation).

1. Calculate the amount of Regular Pay to dock.
  - a. \$1500 divided by 10 days = \$150 multiplied by 9 days = \$1350
  - b. Enter \$1350 on HUE01 using Special Pay 075 (DOCK&BEN).
  - c. All indicators should be zeros. Do not use the adjustment indicator.
  - d. If Timecard Status on HOBID is Non-Auto, use the method described in Pay Dock Example B
2. Calculate the amount of Leave Share (not part of Creditable Comp) to pay.
  - a. \$1500 divided by 10 days = \$150 multiplied by 9 days = \$1350
  - b. Enter \$1350 on HUE01 using Special Pay 006 (LV SHARE) using indicators Tax “5”, Check “0”, and Deduction “0”.
3. This option does not require retirement overrides and the item will not show on Report 869. The Creditable Compensation puzzle is complete.

## Leave Share Example T

Cred Comp \$0



Semi-Monthly Salary is \$1500; Pay Period of 10 days: 10 day of LWOP\*, 9 days of Leave Share. There is no Creditable Compensation because there are no retirement-eligible earnings for the pay period.

1. Confirm Timecard Status on H0BID is "Non-Auto".
2. Calculate the amount of Leave Share (not part of Creditable Comp) to pay.
  - a. \$1500 divided by 10 days = \$150 multiplied by 9 days = \$1350
  - b. Enter \$1350 on HUE01 using Special Pay 006 (LV SHARE) using indicators Tax "5", Check "2", and Deduction "0".
3. This option does not require retirement overrides and the item will not show on Report 869.

\*Note: Even though the employee is receiving 9 days or 72 hours of Leave Share, the employee status is LWOP for the full 10 days of the pay period.

**Wage to Salary  
Status Change  
Example U**

Cred Comp \$1500

**REG PAY  
\$1500**

**AGENCY  
UNIQUE SP  
\$500**

Employee status changed from Wage to Salaried on the first day of the pay period with Semi-Monthly Salary of \$1500. The employee is owed \$500 hourly wages from the prior pay period in addition to salary for the current pay period.

1. Pay the Earnings due for time worked as a wage employee using an Agency Unique special pay that is not included in Creditable Compensation.
2. Retirement overrides are not necessary. This item will not show on Report 869 **UNLESS** the promotion is effective in the second half of the month. The Wage Earnings that were paid to the employee in the first half of the month will still be in the Regular Pay MTD total if the status change occurred in the second half of the month.

**Deceased Payments  
Example V**

Cred Comp \$0



Final payments owed to deceased employees cannot be processed until the proper paperwork has been received from the Estate or Heirs (see Payroll Bulletin 2010-21). Once all of the necessary information has been received, Deceased Pay is processed with either Special Pay 054 or Special Pay 055. It is not included in Creditable Compensation so **DO NOT** collect Retirement (012 or 127, 116, 117), Retiree Credit (105, 115), or Buyback (017, 043) deductions. **DO NOT** collect Group Life (102, 120) and LTD (104, 106, 144, 136).

When you are ready to process the Deceased Payment:

1. Change the Retirement Plan Code to "LT" on HMCU1.
2. Pay the amount due using Special Pay 054 or 055.
3. This item will not appear on Report 869.