VSDP
Example E
Option 2

**Cred Comp - $1500
reported by TPA**

**VSDP SP 061
$450**

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.

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.

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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
                SIT        LOCAL        DI
500 000000 00000000000  00000000000 00000000000 00000000000 00000000000    P Y
           00000000000  00000000000 00000000000

                *------ VOLUNTARY DEDUCTIONS ------*
550  012 00000007500  116 00000003120  117 00000006750  120 00000000420    M Y
     102 00000001110  000 00000000000  000 00000000000
550  115 00000000150  105 00000001335  144 00000001500  104 00000000990    M Y
     000 00000000000  000 00000000000  000 00000000000

 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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