



PAYROLL PROCESSING NEWSLETTER

January 2, 2009

For Pay period: 12/28/08 – 01/10/09 Paid 01/23/09

Items of Interest:

For pay period ending 01/10/09-Accelerated On-cycle processing:

First Calc: Monday, 1/12/09: 5 pm
Second Calc: Tuesday, 1/13/09: Noon
Final Calc: Tuesday, 1/13/09: 3 pm

*All time and leave and funding changes must be made by noon **Tuesday**

2009 Employee Tax Forms: The IRS has released the 2009 Form W-4, Employee's Withholding Allowance Certificate. IRS regulations require a new W-4 be filed for employees wanting to continue to claim exemption from withholding in 2008. IRS regulations continue to require employees claiming exempt status from federal tax withholding (for income earned in the United States) to file a new W-4 form annually. Employees are eligible for the exempt status if the following criteria are met:

1) the employee had no income tax liability in the previous years, **and**
2) the employee anticipates no income tax liability in the upcoming year. The form is located on our website at the following link: http://www.payroll.ku.edu/documents/fw4_2009.pdf

For Earned Income Credit, the 2009 W-5 Form is available at: http://www.payroll.ku.edu/documents/fw5_2009.pdf

Benefit Paycheck Deductions – Please ask or remind your employees to review their January 9, 2009, paycheck carefully to verify correct benefit deductions for 2009 Group Health Insurance (GHI), Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSAs). 2009 deduction amounts will reflect any changes you made during Open Enrollment. If your benefit deductions appear incorrect, please contact the HR/EO Benefits Office (785/864-4946 <mailto:benefits@ku.edu>) immediately and be prepared to provide a copy of your Open Enrollment confirmation printout.

Reminders:

Social Security Wage Base: 2009 OASDI maximum wage base is \$106,800 no maximum for Medicare. OASDI/Medicare tax rates remain same. In addition, there are changes in the Federal withholding tax rates but Kansas state withholding tax remains same.

Discretionary Day and the Kyou Portal: The discretionary day is worth one day and the hours can vary by the employee and their work schedule. The discretionary day cannot be used for multiple days – must be used for one whole day. The HR/Pay system default is 8 hours. If you have an employee who uses their d-day and you need additional hours to be added (e.g. 2 hours for a 10 hour day) or need hours removed (e.g. remove 2 as it was for a 6 hour work day) send an email to Payroll Services requesting an accrual adjustment (<mailto:payroll@ku.edu>).

Reminder: On the Kyou portal if the employee sees the words “Discretionary Day” this means the employee does have the day available to use - if they do not see the words they do not have it. The portal does not display the hour's value.

Student Employee Query: Payroll office has sent a query of all current student hourly appointments to departments. Please review this query current employment status and return to Payroll office with notations of terminations and FTE changes before 1/15/09; the first day of Spring 2009 classes.

Holiday Reporting – Hours Worked: With the addition of December 26th as an additional holiday, we have three official holidays (12/25, 12/26 and 1/1/09) that may affect staff.

Holiday codes (HDC/HDE) default into the *Time and Leave* panels for all full-time regular non-academic year employees. This default does not mean that an employee is eligible or not eligible as this is a standard load. Timekeepers are responsible for verification of employee's holiday eligibility. Do not delete the HDC/HDE if the employee is eligible for the holiday (if you do it will short their paycheck). The guide to eligibility for and reporting of holidays is located at http://www.hreo.ku.edu/files/documents/Holiday_report_guide.pdf

Employee works on a holiday and is eligible for compensatory time - the following codes are used:

- HCC - Exempt (salaried) unclassified fiscal year faculty, academic staff and professional staff (UPS)(i.e., accruing holiday compensation at the rate of one hour for every hour worked).
- HCP - Non-exempt (hourly) and exempt (salaried) University Support Staff and non-exempt (hourly) unclassified professional staff will receive holiday compensation at the rate of 1-½ hours for each hour worked. A chart is located at http://www.hreo.ku.edu/files/documents/holiday_comp_chart.pdf that contains additional details.

Payroll cannot edit for this authorization. Staff should consult with their supervisor before working the holiday since the work performed may result in holiday compensation. If you have any questions about holiday compensation, please contact Payroll Services at <mailto:Payroll@ku.edu>

Holiday Credit Counting Toward FLSA: As a reminder - holiday credit (paid time for a holiday when it is not worked) does now count toward the FLSA threshold for overtime for non-exempt staff. This basically means that holiday credit is like "physical work time" when it comes to counting towards the 40-hour limit.