

## ***PAYROLL PROCESSING NEWSLETTER***

***July 2, 2009***

***For Pay period: 06/28/09 – 07/11/09 Paid 07/24/09***

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### **Items of Interest:**

**FY10 Fringe Benefit Rates:** The State of Kansas has issued the payroll fringe benefit rates for both employee and employer for FY10 effective with the paychecks issued on or after 7/10/09. A copy of the rates can be found on our website at: [http://www.payroll.ku.edu/documents/fringe/fringe\\_benefit\\_rates10.pdf](http://www.payroll.ku.edu/documents/fringe/fringe_benefit_rates10.pdf)

### **New Employer Fringe – KU Vacation Leave Payout Fund (KULEAV): from HRIS-L sent 6/23/09:**

#### **Vacation Leave Payout and Assessment:**

Effective FY2010, the University will be establishing a Vacation Leave Payout Fund to pay for non-retirement vacation leave payouts for eligible faculty and staff.

#### **Assessment:**

This new payout fund will be set up similar to the State Leave Payout Fund used for payout of sick leave and vacation leave for retirement eligible terminations.

The University Vacation Leave Payout Fund will be funded by charging an employer/department fringe assessment that will be assessed on all paychecks. The official fringe code will be "VLN" and the expense object code will be "11761-VLN Assessment". This assessment is similar to other fringe assessments of paychecks.

The vacation leave fringe rate for FY2010 is 0.275%. The Vice Provost for Finance will have the responsibility to reevaluate the fringe rate on a periodic basis. This charge will be reflected in the HR/Pay gross and fringe and journals to the financial system.

#### **Payout:**

Vacation leave payouts will be processed on a payroll off-cycle, this will be a separate check and will not be included with the regular earnings as in the past.

The goal of the University Vacation Leave Payout Fund is to alleviate the drain on departmental and grant budgets related to unbudgeted vacation leave payouts and improve budgetary efficiency related to these payouts.

A copy of the Vacation Leave Payout policy is available at ...

[https://documents.ku.edu/policies/comptroller/Comptroller-Payroll-Vacation\\_Leave\\_Payout\\_Policy.htm](https://documents.ku.edu/policies/comptroller/Comptroller-Payroll-Vacation_Leave_Payout_Policy.htm)

Questions about this new policy should be directed to Katrina Yoakum, Comptroller, at [kyoakum@ku.edu](mailto:kyoakum@ku.edu).

**DEMIS Gross and Fringe Report Suggestions:** Faculty during the summer may be funded centrally or by another department. You may need to run the gross and fringe based on a chartfield or the Position Department (HR Department) in order to verify the paycheck and funding are correct.

- 1) Summer Session Funding: Run the report by HR Department as the cost center used is not unique to each department.
- 2) Fund Another Department's Employee: Run the report by Cost Center.
- 3) Project/Grants: Run the report by Project
- 4) Scenario is a chart field that is only used in the HR/Pay system. It is used for Endowment fund 725; KUMC reimbursable fund series 8XX; and PI when applicable.

- 5) FY2010 HR/Pay charges will not be posted in the financial system (UKANS, KURES, and Budget) until the new year budgets are also available in the financial system.
- 6) When running reports for off cycles, please include the true pay end date to track possible prior year changes.
- 7) Contact is Wayne Spellman, [wspellman@ku.edu](mailto:wspellman@ku.edu) or 864-5991.

### **Form I-9 Can Be Used After June 30 Expiration Date**

USCIS has announced that Form I-9, Employment Eligibility Verification (Rev. 02/02/09), currently on the Payroll website at [http://www.payroll.ku.edu/documents/I-9\\_rev\\_020209.pdf](http://www.payroll.ku.edu/documents/I-9_rev_020209.pdf) will continue to be valid for use beyond June 30, 2009 (the expiration date stated on the form). *Other versions of this form will not be accepted.*

USCIS has asked the U.S. Office of Management and Budget (OMB) to approve the continued use of the current Form I-9. Once the extension is approved by OMB, USCIS will update Form I-9. While this request is pending, the current Form I-9 (Rev. 02/02/09) will not expire. After approval, employers will be able to use either the Form I-9 with the new revision date or the Form I-9 with the 02/02/09 revision date.

### **Reminders:**

**Revised Employee Invention Agreement:** The Employee Invention and Assignment Agreement form has been revised and is effective Monday, 6/22/09. We ask that you immediately update any new employee packets that you may have by replacing it with the version available at [http://www.hreo.ku.edu/new\\_faculty\\_staff/packet](http://www.hreo.ku.edu/new_faculty_staff/packet)

Please note that this is a required document for all regular and temporary employees as a part of the new hire documents. This form is not required for student employees at this time

**Summer FWS (Federal Work Study) 05/17 - 08/08/09** - For student employees paid on FWS positions effective 05/17 - 08/08/09 the employee must have applied and approved as eligible for **summer** federal work study. Also see HRIS-L e-mail sent May 11, 2009 @ 11:31 AM and our Payroll Procedures web page on summer FWS: <http://www.payroll.ku.edu/documents/FWSSum2009.pdf>

### **Fiscal Year Budgets and Conversions:**

Over 6/19-6/21/budget loads for the fiscal year (12 month) unclassified and university support staff and faculty pre-administrative appointments for those that were coded to load from the working budget file Please refer to HRIS-L dated 6/21/09: [HRSA okay - Budget Load round 1 is done](#)

**Employer Fringe Benefit Deduction Moratoriums:** Senate Bill 23 suspended employer deductions for both retirement Death & Disability payments and Group Health Insurance.

**Death & Disability (D&D)** the moratorium on contributions (0.00%) has been extended to November 30, 2009. Beginning with the pay period 11/15-11/28 paid 12/11/09 employer D&D contributed will be deducted. *This is a change from previous announcement that the moratorium would end 6/30/09.*

**Employer Group Health Insurance (GHI) Premiums** the moratorium on contributions (0.00%) ends with the pay period ending June 13, 2009. Beginning with the pay period 6/14-6/27 paid 7/10/09 Employer health insurance contributions will be deducted.

**Students Charged Social Security, Medicare (FICA) Taxes:** Beginning with the 5/31/09 pay period student employees who are not enrolled in the minimum required hours for summer school will be charged FICA taxes. When school is not in session, students may work over 75% or 30+ hours **up to a maximum of 40** in a workweek

however, they will be charged FICA taxes on the entire pay period earnings. F1 and J1 student Visa holders are an exception. The Student Social Security Exemption Chart is located at [www.hreo.ku.edu/files/documents/socialsec\\_exempt.pdf](http://www.hreo.ku.edu/files/documents/socialsec_exempt.pdf).