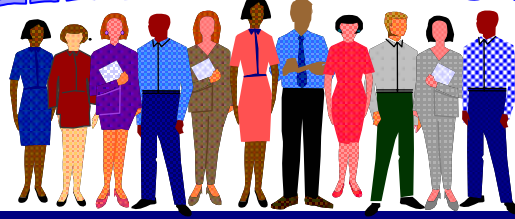


# Personnel Issues & You



UPPS Newsletter 2004-2

February 1, 2004

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## CompBenefits (formerly Compdent) Rate Change Effective March 1, 2004

The Personnel Department will automatically change the rates with the February 1 – February 15 pay period for all employees who have an active deduction for CompBenefits.

Below are the new rates for the current C250Z plan offered by CompBenefits:

|                   | <u>Current Rate</u> | <u>New Rate</u> |
|-------------------|---------------------|-----------------|
| Employee          | \$10.80             | \$11.68         |
| Employee + One    | \$20.04             | \$21.68         |
| Employee + Family | \$28.14             | \$30.44         |

These new rates are effective March 1, 2004 through December 31, 2005. Beginning 2006, the rates will change every January to mirror when most dental companies change their rates. Also effective March 1, 2004 CompBenefits will be offering a new plan, The Advantage 3 (AVK3). The rates for this new plan are below:

### Advantage 3 (AVK3)

|                   |         |
|-------------------|---------|
| Employee          | \$11.04 |
| Employee + One    | \$20.56 |
| Employee + Family | \$28.88 |

CompBenefits plans to mail information to agencies in the very near future.

## Voting and Election Leave

We are combining Voting Leave (906) and Election Leave (907). The code to be used for voting leave and election officer leave will be 906. We have already had a couple of small elections and we will combine these hours once everything is in place. There is a Special Election on February 17, 2004, for Anderson, Bourbon, Boyle, Clark, Estill, Fayette, Franklin, Garrard, Jessamine, Lincoln, Madison, Mercer, Montgomery, Powell, Scott and Woodford Counties. Please use the new code 906 for both voting and election leave.

|   |   |
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| 1 | Voting and Election Leave                         |
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## Reminder: Other Insurance

A complete listing of the companies approved for payroll deduction for Dental, Vision, and Life Insurance can be found on the Department of Personnel's web site at the link listed below. Please refer employees to this listing for information on which companies are approved.

<http://kygovnet.state.ky.us/personnel/insco.pdf>

## EFT Strips and Reversals

Sometimes it happens. Payroll has run and you realize that an error has been made and an employee's check is wrong. If there's been an underpayment, you can pay the amount due in supplemental. However, there are times when an overpayment has been made and you want to prevent the payment from being made to the employee. If the employee is receiving a "paper" check (not direct deposit), you can ask via the payroll office at the Personnel Department that the check be pulled or simply hold the check for redeposit and reversal. When the employee has direct deposit, the process gets somewhat more complicated.

If you realize that an error has been made, payroll has run, and an employee is scheduled to have funds deposited via EFT that should not be paid to the employee, you may request that the EFT (direct deposited funds) be stripped. Another scenario that would apply is if an employee has closed his or her checking and/or savings account and not notified the payroll officer to stop direct deposit until after payroll has run and the funds are pending on the EFT tape. A check can be stripped from the EFT tape until noon 2 working days before payday.

If you wish to have a check stripped, send a request via e-mail to Yvonne Mahoney in Payroll at the Personnel Department. Your request should include the following:

- the employee's name as it appears in the master file
- the last 4 digits of the employee's social security number for verification
- the company number
- the EFT number that you want stripped
- the net amount of the EFT being stripped

If this information is received in time, Yvonne will prepare a request to have the EFT stripped. The transaction is stripped from the tape and the funds are not sent to the receiving financial institution. This process can take several days, and when a check is stripped there is no guarantee that the funds will be returned by payday. After the transaction is stripped and the funds have been returned, Finance notifies Personnel that the monies have been returned. At that point, Yvonne either creates a manual warrant (check) made payable to the employee or journal vouchers the money back to the agency account, depending upon the agency's preference. The creation of a manual check can take a few days; again, it is important to remember that there may be a delay in the employee's receiving his or her pay if the stripped funds are to be made payable to the employee.

If you have missed the deadline to have a check stripped (noon, two days before payday) but it is not yet payday, you can request to have the EFT reversed. In this instance, the receiving financial institution is contacted and requested to return the funds when they hit the receiving account. There is no guarantee that the funds will be recovered. If you need to have an EFT reversed, contact Yvonne with the same information listed above for an EFT strip. She will request the reversal and contact you when and if the funds are returned.

Any time that you have questions regarding EFT issues, including EFT strips and reversals or direct deposit, please contact Yvonne Mahoney in the payroll office of the Department of Personnel. She is available to assist you with any questions or issues you may have. Yvonne may be reached at (502) 564-6883, extension 4121.

## Reminder - Deposit Slips are Not Valid Sources of Routing

**Number and Account Information:** When an employee wishes to begin direct deposit and submits a direct deposit form, please remember that deposit slips are not acceptable sources of information for the routing and account numbers. Deposit slips are coded to be identified as deposit slips instead of checks. If you use a deposit slip as the source of routing and account information and attempt to use the numbers located where the routing number would be on a check, it is highly likely that the number will be incorrect. A few times each week Yvonne Mahoney receives notifications that a bank routing number is not on file, only to find that the bank is on file but the number being used as a routing number was taken from a deposit slip, not from a check or from information provided by the employee or the employee's financial institution.

For checking direct deposit, a voided check may be used to provide the routing and account numbers or the employee or financial institution may provide that information. For savings account direct deposit, the information must be supplied by the employee or financial institution, and it should not be taken from a deposit slip. In no instance should you rely upon deposit slips to obtain routing and account numbers. If you have any questions regarding direct deposit, the prenote process, or other banking issues, please contact Yvonne Mahoney at (502) 564-6883, extension 4121.