



PERSONNEL ISSUES & YOU

UPPS Newsletter 2010-7

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Message from the Director

As another busy year comes to an end, we'd like to express our great appreciation for all of your hard work and support. As always it is a pleasure to serve with and for you.

I am please to highlight just a few of this year's projects and updates:

- Processed 23 reorganizations, year-to-date.
- Processed 59,843 personnel actions, year-to-date.
- Processed \$2,048,983,050.23 in statewide payroll for all three branches, year-to-date.
- Participated in 27 salary surveys with the Southeastern States, year-to-date.
- Conducted 47 desk audits, year-to-date.
- Conducted 7 payroll trainings for agencies.
- Maintained 70 voluntary optional insurance companies, adding 6 this year.
- Conducted the division's first customer service survey and have so far implemented the suggestion to make changes to the HRA web pages.
- Created the Furlough Code (922) in order to implement/capture/report on Furloughs.
- Completed new policies and procedures for UPPS-CICS, COS and Document Direct Security.
- The Military Leave policy was revised from 15 working days to 21 working days.
- Performed random desk audits throughout all agencies to ensure that the integrity of the classification system is being upheld.
- Created the Administrative Leave nature of action code and new appointment codes for formerly unclassified employees pursuant to House Bill 149.
- Assisted in the process of phasing out savings bonds due to the US Department of Treasury's decision to no longer issue paper savings bonds through employer-sponsored payroll savings plans, effective 01/01/11.

There is a lot coming up in 2011! With the implementation of KHRIS alone we will experience many changes and look forward to offering even better service to our employees and customers through this new system. Your Personnel Cabinet Division of Employee management team and I stand ready to guide human resource leaders to new heights. Please do not hesitate to connect with any of us on any issue or suggestion. We look forward to a successful 2011. Have a safe and enjoyable holiday season!

Mary Elizabeth Harrod

Commissioner
Sissy Meredith
Department of Human Resources
Administration

Secretary
Nikki R. Jackson
Personnel Cabinet

Director
Mary Elizabeth Harrod
Division of Employee
Management

Early Payroll Distribution:

Just a reminder that per PM 10-17, issued on November 23, 2010, paychecks for the pay period ending December 15, 2010 will be distributed on December 22, 2010.

Holiday Calendar:

Just a reminder that since 2011 is a gubernatorial election, the governor upon inauguration, is responsible for setting the additional Christmas and the New Year holiday dates for 2011. Therefore the 2011 Holiday Calendar, currently posted on our website, does not include these dates.

AFSCME Deduction Process:

On November 29, 2010, Governor Beshear, signed the GEAC Units D and G agreements with AFSCME. Now that the agreements have been signed, AFSCME will begin deducting dues through the state payroll deduction system effective with the January 15, 2011 pay checks. The membership/dues cards signed by employees, authorizing the deductions, have been provided to our office by AFSCME and will soon be distributed to agencies. Once you receive these cards, please plan to key them, like KECC contributions, between January 3rd-5th, 2011. Signature dates on these cards range from as recent as a couple of months ago to two years ago. Due to this delay between signing and beginning the deduction, we have required that AFSCME send notice to all affected employees that deductions are about to start. If for any reason they should decide to cancel this deduction, they will be asked to contact you, hopefully prior to keying. Please send an email notice to Charles Wells at Charles.Wells@ky.gov with the name and position number of any employee who wishes to cancel dues deduction so he may notify AFSCME of the cancellation. Once keying has been completed, please retain the membership/dues cards in the employees' personnel files. Please note that it is only because this is the initial set-up and start-up of AFSCME deductions, that we, the Personnel Cabinet, are distributing these cards to you. From this point forward, you will receive dues authorization cards directly from the employee or from AFSCME. However, please continue to email Charles Wells when an employee requests to cancel their deduction.

If you have any questions, please contact Stephanie Carpenter at (502) 564-6616.

Performance Management Branch:

We are happy to announce effective December 16, 2010, the Performance Management Branch, currently under the Governmental Services Center (GSC), will be reorganized into the Personnel Administration Branch and will then be known as the Performance Management Program. Stan Riley and Dawn Redmon will be relocating to the 3rd Floor of the State Office Building with the Division of Employee Management on December 21, 2010. Stan's new phone number will be (502) 564-6811 and Dawn's will be (502) 564-7386. As a reminder, year-end evaluations and performance plans are due to performance evaluation liaisons by COB January 30, 2011.

Personnel Administration

Military Leave:

Pursuant to KRS 61.373 and the USSERA, any state employee who enters active military duty must be granted leave of absence without pay for the period of that duty up to six years. When they return from active duty, the employer must restore them to a job of like seniority, status, and pay. An employee restored from military leave is treated as though he or she was in continuous service.

**Due to recent inquiries regarding active duty extending beyond six years, our legal office has been advised that because the nation has been considered to be in a state of emergency since September 11, 2001, employees on active duty for more than six years should still retain their restoration rights until we are told otherwise.

Payroll

Clothing Allowance:

Clothing allowances for non-uniformed assignments are taxable and should be included in the wages reported on Form W-2, Wage and Tax Statement. In order for the amounts to be nontaxable, work clothes and uniform allowances and reimbursements must 1) be specifically required as a condition of employment; 2) not be adaptable to general usage as ordinary clothing; and 3) not worn for general usage. The allowance is reported in payroll through transaction 905, Expense Allowance. If you agency has questions regarding expense allowance, please contact the payroll branch at (502) 564-6883.

2011 Optional Insurance Rate Changes:

<u>Burch</u>	<u>2010 Plan Year</u>	<u>2011 Plan Year</u>
Single	21.75	22.50
Dual	38.50	39.50
Family	55.25	56.75

CompBenefits - Dental**AVK3 Plan (Advantage)**

Employee	20.26	21.28
Employee + One	37.78	39.68
Employee + Family	53.02	55.68

(DHMO) C250Z Plan-Dental

Employee	16.34	17.16
Employee + One	32.66	34.30
Employee + Family	49.00	51.46

PPO (EP510) Plan - Dental

Employee	24.36	27.98
Employee + One	45.42	52.16
Employee + Family	63.74	73.18

VisionCare Plan

Employee	8.10	8.10
Employee + One	19.44	19.44
Employee + Family	22.68	22.68

*Website for State Employees - WWW.compbenefits.com/custom/kentucky-state-emp/

Dental Care Plus (formerly Adenta)**Basic PPO Coverage**

Single	27.30	35.49
Double	50.53	65.69
Family	69.14	89.88

Enhanced PPO Coverage

Single	31.80	41.34
Double	58.84	76.49
Family	86.74	112.76

Fortis - Assurant**Freedom Preferred**

Employee	36.02	36.02
Employee + One	71.32	71.32
Employee + Family	110.32	110.32

Freedom Basic

Employee	19.76	19.76
Employee + One	37.15	37.15
Employee + Family	65.09	65.09

Summit moves to Heritage Secure

Employee	9.30	9.30
Employee + One	15.73	15.73
Employee + Family	24.81	24.81

Health Resources, Inc**DHO 6B**

Employee	33.04	33.04
Employee & Spouse	67.72	67.72
Employee & Child(ren)	79.26	79.26
Employee & Family	115.60	115.60

United Concordia**Concordia Plus (DHMO)**

Single (EE)	20.84	21.38
2 Party (EE & Spouse/Child)	42.89	43.99
Family (EE & Children/Family)	62.70	64.31

Preferred (formerly Concordia Flex (formerly FFS))

Single (EE)	34.78	35.67
2 Party (EE & Spouse/Child)	65.09	66.76
Family (EE & Children/Family)	103.35	106.01

Delta Dental**PPO Plan**

Employee	19.95	19.95
Employee + Spouse	38.30	38.30
Employee + One Child	38.30	38.30
Employee + Two or more children	65.82	65.82
Employee + Spouse+Child(ren)	65.82	65.82

Premier Plan

Employee	22.78	22.78
Employee + Spouse	43.74	43.74
Employee + One Child	43.74	43.74
Employee + Two or more children	72.30	72.30
Employee + Spouse+Child(ren)	72.30	72.30

Citizens Security (Vision)

Single	7.25	7.69
Employee + 1	13.13	13.92
Employee + Family	19.63	20.81

Citizens Security (Dental)**EPO Bronze**

Single	14.41	18.01
Employee + 1	27.16	33.95
Employee + Family	43.00	53.75

Freedom Gold

Single	22.01	27.51
Employee + 1	41.50	51.88
Employee + Family	65.69	82.11

NVA (National Vision Administrators)

Single	9.37	9.37
Limited	16.94	16.94
Family	24.51	24.51

Avesis (Vision)

Single	9.00	9.00
Family	20.00	20.00

Guardian**Dental**

Employee	22.78	24.42
Employee + Spouse	49.30	50.94
Employee + Child	59.34	60.98
Employee + Family	85.88	87.52

Vision

Employee	7.30	7.30
Employee + Spouse	12.30	12.30
Employee + Child	12.54	12.54
Employee + Family	19.84	19.84

These are **2011** rates we have received notification of thus far.

As we continue to get **2011** rates for other Optional Insurance companies, we will include those in the newsletter each month or send out by e-mail.

Electronic Filing of Employer's Quarterly Unemployment Wage and Tax Report:

A letter was recently sent from Unemployment Insurance to all employers/agencies regarding electronic reporting of wages. Please be aware that the letter is only a notice of the requirement to file the quarterly wage report electronically, and that for all agencies in our payroll system, the Personnel Cabinet's Payroll Branch submits this report based upon the status of Flag F on the D screen in POPY in CICS. Your agency does not need to take an action in relation to this letter. It is the agency's responsibility to set up the Flag F on screen D in POPY correctly, but the quarterly reporting is done by the Personnel Cabinet. After having spoken with a couple of agencies who received this letter, we contacted Unemployment Insurance and have verified that the letter is for informational purposes only and was sent to all employers, and that the method being used for agencies in our payroll system meets their requirements.

Please share this information with anyone in your agency who may have received this letter from UI. If you have any questions, please contact Yvonne Richmond.

Advanced EIC Ending December 31, 2010:

As covered in [Personnel Issues and You Newsletter for September 2010](#), the Advanced Earned Income Credit has been repealed and will end on December 31, 2011. The last payperiod that will have EIC will be December 1-15, 2010, for the final paycheck of 2010. A list of employees with EIC has been distributed to agencies. Agencies are instructed to contact the employees who have EIC and request that they provide an updated W-4 by the end of the year. Agencies will have until Wednesday, January 5th to update the employee's Federal Income Tax status. On January 6th, all remaining EIC statuses that have not been converted to a valid FIT status will be converted to single, no deductions for federal income withholding. For more details about the EIC repeal, please see the newsletter referenced above. If you have questions regarding updating the employee tax status, please contact the Payroll Branch.

Reminder about Savings Bonds:

This is a reminder that in accordance with the U.S. Treasury's cessation of the payroll deduction savings bond program, savings bond purchases have been phased out in our system. No new savings bonds should be set up. Employees should be directed to use Treasury Direct to establish a savings bond account. For more information, please see the [July Personnel Issues and You Newsletter](#).

W2 Season:

This is such a busy time of the year for payroll that this office wants to make sure everyone is aware of major dates and tasks due over the next few weeks. Here are a few friendly notes/reminders:

For the remainder of December and January, there will be only **8** Manual Pay updates before the cutoff for manual pay updates for W-2 on January 10, 2011. These dates are December 15 and 16 and January 3, 4, 5, 6, 7, and 10. Master File Accumulation and Tax File Accumulations in POT are updated every day we have an update. Between the time we take payroll down on January 10, 2011 and the time we run W-2s, agencies should be making no updates to the 2010 W-2 file unless the Personnel Cabinet Payroll Branch is aware of them or working with the agency on an update. This gives us an opportunity to resolve and check all corrections without other changes going on that we are not aware of that might affect reporting. Please check the online monthly payroll schedules for possible updates, as sometimes our dates are a little fluid around W-2 season.

Please continue to check your W-2 one-line error report (PERW2LN1 on Document Direct) as well as comparing the QEHSS, Quarterly SSA report, and your documentation for all manual payments (SAS 27s, reversals/ROPs, pretax deduction refunds, etc.).

Please make sure you have updated for all received FSA, health insurance, and deferred comp refunds. If you have done a Request for Refund on Payroll that involved deferred compensation, please make sure you have requested that money back from Deferred Compensation. Each year, we have many year-end discrepancies due to agencies not recovering refund monies from Deferred Compensation, and this results in days spent trying to reconcile the files.

We will be running payroll for 12/1-15/10 on Thursday, December 16. You will be able to key data on Wednesday, the 15 until 7:00 PM and until 4:00 PM on the 16. We will run the supplemental payroll on Tuesday, December 21 at 1:00. Payday will be on Wednesday, December 22. There will be EFT.

Any P-1 address changes that are approved after Monday, December 20 will also need to be submitted to this office on form [UPPS 5-W](#) so that they will appear on the W-2. Please remember to complete the form in red and clearly write 2010 at the top. If the wrong address is on the W-2, it will be returned to your agency by the postal service.

Please consider the CICS payroll system **READ ONLY** from the time we take the system down on 12/21/10 until we return on 01/03/11. We will be rolling the system over to 2011 during this time. When we return on January 3, POPY will be set for 2011. However, all master and tax file accumulation updates, as well as manual pay updates, will continue to update against the 2010 record until we switch those functions after W-2s are printed. We will let you know when that occurs. Until then, you will need to hold all 2011 updates. The target date for printing W-2s is January 14, but that date is subject to change.

Please remember that you will need to key your 2011 KECC pledges during the 12/16-31/10 regular payroll cycle (January 3-6, 2011).

Please don't hesitate to contact the Payroll Branch if you have any questions or for assistance with updates. We are here to help! Everyone have a safe and happy holiday and hope for limited adverse weather.

Upcoming Payroll Schedules:

** Due to holidays we will update on the 15th

December 2010 - Subject to change

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 NOV 16-30 Manual pay & health ins. Update	2 NOV 16-30 Manual pay & health ins. update	3 NOV 16-30 Manual pay & health ins. Update. Last day p1's can be approved for payroll.	4
5	6 NOV 16-30 Manual pay update files go down at 1:00 and remain down. RUN PAYROLL	7 NOV 16-30 No Update	8 NOV 16-30 No Update	9 NOV 16-30 Update/ health ins.	10 NOV 16-30 Update/ health ins.	11
12	13 NOV 16-30 Update/health ins. Last day p1's can be approved for supp payroll	14 NOV 16-30 Update – files go down at 1:00 & remain down. RUN SUPP PAYROLL Update after supp with p1's only.	15 DEC 1-15 Manual pay & health ins. Update. Last day p1's can be approved for payroll. PAYDAY	16 DEC 1-15 Manual pay update files go down at 4:00 and remain down. RUN PAYROLL	17 DEC 1-15 Update/ health ins.	18
19	20 DEC 1-15 Update/ health ins. Last day p1's can be approved for supp payroll	21 DEC 1-15 Update – files go down at 1:00 & remain down. RUN SUPP PAYROLL Update after supp with p1's only.	22 DEC 1-15 No Updates PAYDAY	23 DEC 1-15 STATE HOLIDAY Have a safe and happy holiday CHRISTMAS	24 DEC 1-15 STATE HOLIDAY Have a safe and happy holiday CHRISTMAS	25
26	27 DEC 1-15 DO NOT ENTER PAYROLL Clear old year files	28 DEC 1-15 DO NOT ENTER PAYROLL Clear old year files	29 DEC 1-15 DO NOT ENTER PAYROLL Clear old year files	30 DEC 1-15 STATE HOLIDAY NEW YEARS EVE	31 DEC 1-15 STATE HOLIDAY NEW YEARS EVE	

Revised 12/2/10

January 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
2	3 DEC 16-31 W-2 Manual pay only & health ins. Update Key in KECC contributions. Do not key any 2011 Updates until AFTER W-2s are run and printed—The Payroll Branch will let you know when it is OK to enter 2011 updates	4 DEC 16-31 W-2 Manual pay only & health ins. Update Key in KECC contributions.	5 DEC 16-31 W-2 Manual pay only & health ins. Update Key in KECC contributions. Last day p1 can be approved for payroll	6 DEC 16-31 W-2 Manual pay update only. Files go down at 1:00 and remain down. Key in KECC contributions RUN PAYROLL	7 DEC 16-31 W-2 Manual pay only & health ins Update.	1 8
9	10 DEC 16-31 W-2 Manual pay only & health ins. Update <u>Last day for w2 manual pay updates</u>	11 DEC 16-31 Update/ health ins. Last day p1's can be approved for supp payroll.	12 DEC 16-31 Update – files go down at 1:00 & remain down. RUN SUPP PAYROLL Update after supp with p1's only.	13 DEC 16-31 No Update Emars will be down for maintenance	14 JAN 1-15 PAYDAY Target Date for Printing W-2s. Manual pay & health ins. update for Jan 1-15	15
16	17 JAN 1-15 STATE HOLIDAY MARTIN LUTHER KING	18 JAN 1-15 Manual pay & health ins. update	19 JAN 1-15 Manual pay & health ins. Update Last day p1's can be approved for payroll	20 JAN 1-15 Manual pay update files go down at 4:00 and remain down. RUN PAYROLL	21 JAN 1-15 No Update	22
23	24 JAN 1-15 Update/ health ins.	25 Jan 1-15 Update/ health ins.	26 JAN 1-15 Update/ health ins. Last day p1's can be approved for supp payroll.	27 JAN 1-15 Update – files go down at 1:00 & remain down. RUN SUPP PAYROLL Update after supp with p1's only.	28 JAN 1-15 No Update PAYDAY	29
30	31 JAN 1-15 No Update					

Classification & Compensation

Requests for Shift Premium:

No employer, either P-1 or non P-1, may receive a shift differential without being on the approved shift file. Requests for a shift premium differential must include the following information:

- 1) the classification(s) to receive the shift differential;
- 2) the reason for requesting the shift differential;
- 3) the Cabinet and Department to which the positions will be assigned;
- 4) the amount of the differential. This may be either a flat rate or a percentage.

Requests should be submitted to the Director of the Division of Employee Management. Agencies will be notified of the action taken on the request and the effective date (if approved).

Welcome Back:

We are pleased to announce that Cassie House will be returning to the Classification and Compensation Branch on December 20, 2010. Once we determine her agency assignments, notification will be sent out to those agencies.

Office of Diversity & Equality

EEOC Issues Genetic Information Nondiscrimination Act Final Regulations-

Law Prohibits Using Genetic Information to Make Employment Decisions:

PRESS RELEASE: The U.S. Equal Employment Opportunity Commission (EEOC) today [11/9/10] issued final regulations implementing the employment provisions (Title II) of the Genetic Information Nondiscrimination Act of 2008 (GINA). GINA prohibits use of genetic information to make decisions about health insurance and employment, and restricts the acquisition and disclosure of genetic information. Title II of GINA represents the first legislative expansion of the EEOC's jurisdiction since the Americans with Disabilities Act of 1990.

Under Title II of GINA (Genetic Information Non-discrimination Act), it is illegal to discriminate against employees or applicants because of genetic information. Title II of GINA prohibits the use of genetic information in making employment decisions, restricts employers and other entities covered by Title II (employment agencies, labor organizations and joint labor-management training and apprenticeship programs - referred to as "covered entities") from requesting, requiring or purchasing genetic information, and strictly limits the disclosure of genetic information.

The EEOC enforces Title II of GINA (dealing with genetic discrimination in employment). The Departments of Labor, Health and Human Services and the Treasury have responsibility for issuing regulations for Title I of GINA, which addresses the use of genetic information in health insurance.

For more information please visit the EEOC's GINA Page: <http://www.eeoc.gov/laws/types/genetic.cfm>

Governmental Services Center

Training Available through the Governmental Services Center (GSC):

Training is a critical part of employee development, providing managers and staff members with the knowledge and skills they need for high performance. GSC offers a full range of training solutions - from our catalog of core courses to the development of original, fully customized programs. To ensure your training is effective and provides value to both the individual participants and the organization, many resources are available.

- Did you know GSC offers [tutorials](#) for Microsoft Office 2007?
- Did you know GSC offers resources to help you learn [Spanish](#) ?
- Did you know GSC offers short, 3-7 minute, [videos](#) on a variety of development topics?
- Did you know GSC offers a monthly publication called [The GSC Advantage](#), with information on customer service, business writing and much more?

If you haven't checked out [GSC's web site](#) lately, **You Don't Know** what you're missing!
Please share these Human Resource development opportunities with your employees!