

MEMORANDUM

Date: June 23, 2010
To: State Employees
From: Kent Olson, Director, Division of Accounts and Reports
Subject: Changes to Employee Pay Stub

The implementation of the Statewide Management, Accounting and Reporting Tool (SMART) will occur on July 1, 2010. The benefits of this new financial management system includes integration with the Statewide Human Resource and Payroll (SHARP) system which allows better reporting and management of data.

Due to the requirements for data processing between SHARP and SMART, changes were required for the set-up of certain payroll deductions. Beginning with paychecks issued on or after July 1, 2010, these changes will be reflected on employee paystubs as follows:

United Way, Community Health Charities, and Organization Dues Deductions:

United Way, Community Health Charities, and Organization Dues bi-weekly deductions are currently reflected on employee paystubs/advices in the After Tax Deductions section as follows (XXX represents the specific United Way or Org Dues code; "City" represents the specific United Way location; "ORG" represents the actual name of the specific organization) – amounts are for example purposes only:

Employee Self Service:

United Way	10.00	Comm Hlth	5.00	Org Dues	7.50
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Employee Paychecks:

United Way –"City"	10.00	Community Health Charities	5.00	Org Dues-"ORG"	7.50
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Effective July 1, 2010, the processing fee that is currently withheld, by statute, for each United Way, Community Health Charities, and Organization Dues deduction will be broken out and reflected separately in the After Tax Deductions section of employee paystubs as follows:

Employee Self Service:

United Way	9.94	Comm Hlth	4.94	Org Dues	7.44
FeeXXX	0.06	Fee100	0.06	FeeXXX	0.06

Employee Paychecks:

United Way –"City"	9.94	Community Health Charities	4.94
United Way Service Fee–XXX	.06	United Way Service Fee – 100	.06

Org Dues-"ORG"	7.44
Org Dues Service Fee - XXX	.06

The full amount of the employee authorized charitable contribution deducted for United Way and Community Health Charities will continue to be reflected on the employee W-2 for tax purposes.

Taxable Group Term Life Insurance:

Taxable Group Term Life Insurance is currently reflected on employee paystubs in the Employer Paid Benefits section as follows:

Employee Self-Service:

TrmLifeIns*

Employee Paychecks:

Group Term Life-XXXXXX*

where the * designates this as a taxable item that is included by law in employee taxable gross calculations and XXXXXX is the KPERS designated benefit plan type.

Effective July 1, 2010 Taxable Group Term Life Insurance will be reflected in the Earnings Section of the employee paystub as follows:

Employee Self Service:

Tax Gr Lf

Employee Paychecks:

Taxable Group Life

Please note that there is no change to the paycheck impact of this item, only the location in which it appears on the employee paystub.

KEO:ntr