

SHARP-SHOOTER

TAKING AIM TO BETTER SERVE THE CUSTOMER

Volume 5, Issue 2

April, 2000

Kansas Savings Incentive Program (KSIP)

Background:

Ch. 132, Sec. 91(a) (or (b) for special revenue funds), 1999 Session Laws, allows the payment of salary bonus payments from designated Kansas savings incentive program funds. The bonus payments are limited to a total net bonus of \$1,000 per employee during FY 2000. The bonus payments are exempt from KPERS as required by Ch. 132, Sec. 91(d), 1999 Session Laws.

Payments are made through the SHARP system. Although it is easiest to process the payment in an off-cycle payroll run, which will create a separate paycheck to the employee for the bonus, it is possible to process the payment in the on-cycle payroll run where the bonus will be added to regular payroll earnings. In either case, the payment of the bonus will be similar to the employee's normal payroll, i.e. direct deposit versus paycheck, and the check or advice will be mailed to the employee's home address. If there is to be a presentation to the employee, the agency should create a certificate to present to the employee in lieu of the check.

Processing the Payment:

The first step is to determine if the amount of the bonus is the net or gross amount.

Gross: If the amount is the gross wages, the dollar amount can be added to the time sheet using the earnings code "QBP" and SHARP will

calculate the correct taxes and employer charges. Request a Pay-affecting adjustment in Compensate Employees/Manage Payroll Process/Process/Paycheck Reversal Adjustment. Use the Run Control "ADJ-ALL". Enter the paycheck number and issue date that is to be adjusted. Verify that the adjustment button is clicked on, and save the panel. Next go to Administer Workforce/Time and Leave/Use/Adjustment/Adjustment Daily. Enter the Pay Period End Date and Employee Identification Number. Click on "Add Row", scroll to the bottom of the panel to find the new row, enter "QBP" for the earnings code, and enter the gross dollar amount to be paid to the employee. Click off and on the "OK to Process" button and save the panel. You should receive a warning message that this is a Pay Affecting Adjustment and a paycheck will be created. Click "OK". After the next off-cycle run, check the KPAY002, Paycheck Register, to verify that the adjustment processed correctly and that the bonus payment shows on the new paycheck.

Net: If the amount of the bonus payment is a net pay amount, you have some options on how to process the transaction. The easiest way to process the bonus is to have the transaction processed centrally by the Division of Account and Reports, Payroll Processing Team, who have created Excel spreadsheets that can calculate the gross amount of the bonus.

The spreadsheets use the supplemental income tax rates, which are 28% for Federal income tax and 5% for State income tax. Assuming that the employee is subject to OASDI and Medicare, you can arrive at the gross wages by dividing the net pay by 0.5935. Contact the Division of Accounts and Reports, Payroll Processing Team for information on the Excel spreadsheets. Once the amounts have been calculated, complete form DA-180, Paycheck Reversal/Adjustment/Supplemental and the Attachment to DA-180. The form can be found in the Payroll Book 1 and Book 2 CBT Training Material, or by accessing the Division of Accounts and Reports website at da.state.ks.us/ar/forms/. Submit the completed form to the Payroll Processing Team. The form can be faxed to 785-291-3399. After the next off-cycle run, check the

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- ◆ Getting Started on the Internet
- ◆ Dear Dead Eye Questions

KSIP

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KPAY002, Paycheck Register, to verify that the adjustment processed correctly and that the bonus payment shows on the new paycheck.

Another option is to use the Online Check to determine the gross amount to be paid if it is added to the employee's regular wages. Access the Online Check by going to Compensate Employees/Manage Payroll Process/Use/Online Check. It may be necessary to run the Online Check program several times to arrive at the correct gross bonus amount to be paid and to ensure that the total earnings from the original paycheck are correct. After the amount has been determined you can either add the bonus amount to the next pay period end date time sheet, or process a pay-affecting ad-

justment to a prior paycheck. If you add the amount to the next on-cycle, you will need to closely monitor the pre-calculation reports to verify that the correct net pay is created. To process an adjustment, request a Pay-affecting adjustment in Compensate Employees/Manage Payroll Process/Process/Paycheck Reversal Adjustment. Use the Run Control "ADJ-ALL". Enter the paycheck number and issue date that is to be adjusted. Verify that the adjustment button is clicked on, and save the panel. Next go to Administer Workforce/Time and Leave/Use/Adjustment/Adjustment Daily. Enter the Pay Period End Date and Employee Identification Number. Click on "Add a Row", scroll to the bottom of the panel to find the new row, enter "QBP" for the earnings code, and enter the gross dollar amount to be paid to the employee. Click off and on the "OK to Process" button and save the panel. You should receive a warning message that this is a Pay Affecting Adjustment and a paycheck will be created. Click "OK". After the next off-cycle run, check the KPAY002, Paycheck Register, to verify that the adjustment processed correctly and that the bonus payment shows on the new paycheck.

Funding:

If desired, you can change the funding in SHARP to correctly fund the earnings, taxes and deductions when the bonus is paid. However, we have found that it is much simpler to process a Journal Voucher, form DA-35, after the bonus has been paid. This is easier if the bonus was paid in an off-cycle run by either an agency adjustment or pro-

cessed by Central Payroll. If only the bonus is paid on the off-cycle you can find the charges associated with the bonus on the KPAYWAGE report. The gross amount is charged as object code 1710, OASDI and Medicare are object code 1910, State Leave Assessment is object code 1760 and Worker's Compensation is object code 1970. There should be no other agency charges for the bonus payment. If the bonus was processed by Central Payroll, these should be the only charges showing for the paycheck. If the bonus was processed as an agency adjustment, you will need to take the charges for the new check and subtract the charges for the original check to determine the amounts for the Journal Voucher. If the bonus was paid in a regular on-cycle payroll, you will need to compare the charges on the KPAYWAGE for that on-cycle paycheck to another pay period's on-cycle paycheck to determine the charges associated with the bonus payment, or you can process an Online Check to determine what the amounts would have been without the bonus and use the difference as the amounts for the Journal Voucher. Access the Online Check by going to Compensate Employees/Manage Payroll Process/Use/Online Check.

The Journal Voucher is processed using the Transaction Code 543R to reduce the original charges for the bonus, and the Transaction Code 543 to charge the KSIP funds. You will need a separate line for each object code and line of funding.

Questions regarding KSIP bonus should be directed to Joyce Dickerson at 785-296-3979 or e-mail at joyce.dickerson@state.ks.us.

SHARP-SHOOTER

is published by the Statewide Human Resource and Payroll Project. This publication is designed to inform state agencies and their users of the status of the SHARP Project.

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Getting Started on the Internet

(Reprinted from the March 2000 KansaGram)

As reported in the last KansaGram, AKSESS (Automated Kansas State Employees Service System) will introduce the Open Enrollment for Benefits process for plan year 2001. Open Enrollment for Group Health Insurance (GHI) and Flexible Spending Accounts (FSA) will be conducted entirely using the Internet during the Fall of 2000. We are pleased to provide you with the following information you may need to navigate the Internet and utilize the new AKSESS application with success! With that in mind, let's get started...

Defining the Terminology

Address - An Internet address or URL (Universal Resource Locator) is actually the location of a resource, website or specific file. It looks like this: <http://www.state.ks.us/>. To visit a website, you would type the address into the white box labeled either "Address" or "Location" within the browser.

Browser - A program used for accessing and navigating the **Browser**

Internet. Examples include Microsoft Internet Explorer and Netscape Navigator. Some applications require minimum browser version levels. AKSESS will likely require a minimum version 4.0 browser. To find out which version of the browser you are using, click on the Help Menu and select "About Netscape" or "About Internet Explorer."

Bookmarking - Bookmarking allows you to store an address so you can easily return to the site in the future without remembering or typing in the actual address. This feature is called Favorites" within Internet Explorer.

Links - A link (or hyperlink) generally consists of text which appears underlined and blue in color. When you click on it with your mouse, your browser will be directed to open up the linked page. Links which you have already visited will change to appear underlined and purple.

Surfing - The process of moving around from website to website

searching for anything that looks interesting, useful or just plain fun.

Here We Go...

First, you will need to find a personal computer (PC) with internet access at home, at work or somewhere else...

Open the Browser - Click on Start, select Programs, select Internet Explorer or Netscape Navigator

- Enter the address (URL) Use the File/Open option from the main menu or enter the address directly into the address window and press enter
- Navigate the site by identifying the hyperlinks

For Practicing ...

Visit and practice navigating to and within these popular websites:

Search Engines

<http://www.yahoo.com>

<http://www.hotbot.com>

<http://www.lycos.com>

Government Sites

<http://da.state.ks.us/>

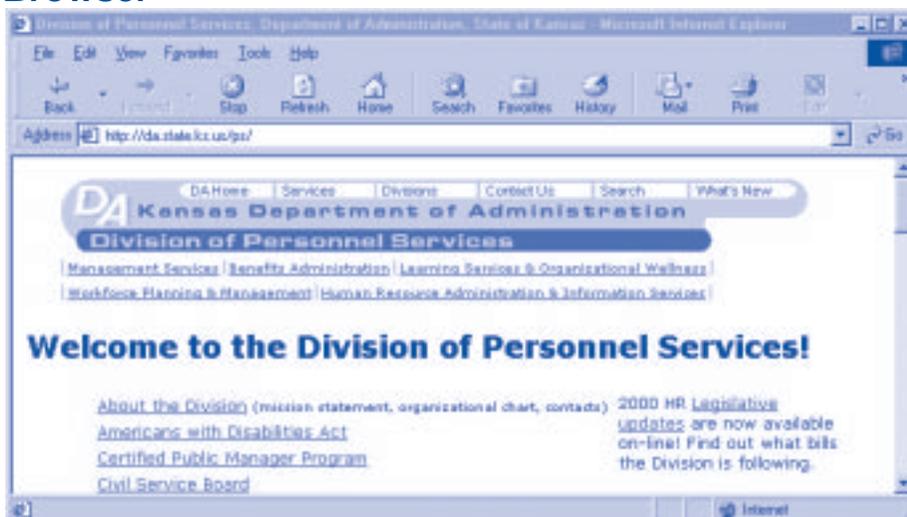
<http://www.ink.org/>

Learning the Internet

<http://www.learnthenet.com>

<http://www.pbs.org/uti/begin.html>

<http://www.newbie-u.com/web/>



Hyperlinks

Payroll Procedures Available

Procedures for processing payroll transactions and guidance on completing related forms can now be found on the Internet at: da.state.ks.us/ar/payroll/payforms.htm

Dear Dead Eye...

Q: I need to have Central Payroll process adjustments for one of my employees that covers multiple pay periods. Do I need to complete the Attachment to DA-180 for each pay period?

A: No. When a transaction is needed that covers many pay periods, instead of completing the Attachment to DA-180 you can create your own spreadsheet with the pertinent information. Make sure you include each pay period end date; paycheck number; gross wages; and the earnings, taxes, or deductions that are involved. List any wrong information and then any correct information, and calculate the difference. If it is an earnings code or a deduction code that affects taxes, be sure to run the Online Check to determine the impact on taxes. You can find the online check in Compensate Employees/Manage Payroll Process/Use/Online Check. (Remember you must be in Application Server, and you

cannot run the Online Check while the on-cycle pay calculation is being run.) Total the spreadsheet by calendar year. Attach a copy of the spreadsheet to form DA-180, Paycheck Reversal/Adjustment/Supplemental, and send it to the Division of Accounts and Reports, Payroll Processing Team.

Q: I just got notice that my employee is receiving a wage replacement from the State Self Insurance Fund (SSIF -Workers Compensation). Should I record sick or vacation leave for my employee?

A: Your question is answered by referring to Kansas Administrative Regulation (K.A.R.) 1-9-5(g): "Each employee who is injured on the job and awarded workers' compensation shall be granted use of accumulated leave upon the employee's request." Web Site: <http://da.state.ks.us/ps/documents/regs/art-9.htm#1-9-5>.

The key point is that the employee must request to use his or her own leave to supplement the wage replacement amount. Most employees want to use leave. However, some employees may choose just to receive the wage replacement amount from the SSIF.

If the employee chooses not to use his or her own leave, you should still OK to Process? the employee's time sheet so the hours associated with the wage replacement amount apply toward the employee's leave accrual.

All questions for Dear Dead Eye are welcomed and should be directed to "Dead Eye" at the project address, (785) 296-4886, or E-Mail: douglas.quinn@state.ks.us All questions will be answered in the following issue of the newsletter.

