

**Office of Financial Management
Statewide Accounting
Payroll Consulting
6/28/11 PPA Meeting**

7/1/11 State Administrative and Accounting Manual (SAAM) Updates:

<http://www.ofm.wa.gov/policy/25.htm>

<http://www.ofm.wa.gov/policy/85.htm>

1. Shared Leave Fringe Benefit Rate

- New percentage = 45% (up from 42%)
- Retirement rates and health insurance costs have been climbing
- 25.40.10.d and 25.40.10.j:

2. Deceased Employees - Increased Payment Limit

- Biennial adjustment based on the Seattle CPI
- New limit = \$12,000 (up from \$11,500)
- 25.70.30.c:

3. Payroll Cards

- Now a payment option
- Voluntary on the employee's part
- May require OFM approval
- 25.70.10 and 25.70.25

4. Legislation

- Base rate for overtime, comp time cashout, vacation leave/sick leave cashouts not reduced by any temporary salary reduction (25.30.30.a(1), 25.30.50.b, 25.40.20, and 25.40.30)
- Added temporary salary reduction leave to the holiday calculation for hourly paid employees example (25.30.30.b)
- Compensation increases, monetary performance based awards, recognitions awards restricted (25.30.60)
- Removed employees with a full time equivalent salary of \$2,500 or less from the list of employees eligible to receive shared leave (25.40.10.a, 25.40.10.c, and 85.34.20.a)
- Temporary salary reduction leave must be used prior to shared leave (25.40.10.c)
- Eligibility for time loss is not affected by the use of temporary salary reduction leave (25.40.40.b)
- Added a subsection for temporary salary reduction leave (25.40.60)
- The legal union of two persons of the same sex that was validly formed in another jurisdiction and that is substantially equivalent to a domestic partnership under state law are treated the same as a domestic partnership registered in the state of Washington (25.60.10.d and 25.70.30.b)

4. Other Updates

- Removed reference to savings bond reserves reconciliation (25.20.40.c, 85.34.10.c, 85.42.40.b, and 85.42.40.c)
- Added a link to the PEBB website for minimum and maximum flexible spending account amounts (25.50.30.a)
- Added a reference to SAAM Section 25.80 in HCA premiums (25.50.30.b)

Employer Health Insurance Costs for 7/10/11 Payroll:

1. **Please Note: This is for Employer Costs only, not employee premiums!**

- Sub Object BD
- ER Cost for June 11 = \$850.00 per month or \$425.00 per pay period
- ER Cost for July 11 = \$850.00 per month or \$425.00 per pay period (no change)

2. **Sub Object BD does not accrue to June 2011**

- BD costs will be charged in FM01 (July 2011), Bien 13, Fiscal Year 12
- All other salary and benefit costs will accrue in FM24 (June 2011), Bien 11, Fiscal Year 11

3. **What does this mean to your agency?**

- If account coding between fiscal years is different, the BD records may go to the AFRS error file.
- AFRS error file records will have to be manually corrected.
- Remember, BD charges would be for the new fiscal year - FY 11 closing will not be affected.

4. **Example:**

- Program Index (PI) will be used in the example, but any coding element change may cause records to go to the AFRS error file.
- Charges for both fiscal years will be based on the coding in HRMS for 6/16 - 6/30

Payday	PI 12345 (FY 11)		PI 12345 (FY 12)		
	Salaries	Health Ins	Salaries	Health Ins	
June 24	2,000.00	425.00	←		2nd Half of June's charges
July 10	2,000.00			425.00 ←	1st Half of July's charges

- If PI 12345 has the same meaning in both fiscal years, all is OK. The record won't go to the AFRS error file.
- If PI 12345 is not in the AFRS tables for FY11, the record will go to the AFRS error file, and must be corrected by agency staff. Be sure the use FY11 coding.
- IF PI 12345 has a different meaning in both fiscal years, the record won't go to the AFRS error file. CAUTION! AFRS reports won't reflect accurate data:

Example: PI 12345, FY 11 = Payroll Office but in FY 12 = Budget Office

For BD in FY 12, charges would be based on the FTEs in the Payroll Office instead of the Budget Office.

- Hint: If your agency uses the wild card in the Appropriation Index (AI) ('&' in HRMS), the BD charge for \$425.00 will go to the FY 12 AI automatically.