

# Personnel/Payroll Association (PPA) Meeting

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May 24, 2016

## MINUTES

### Social Security Administration Update

Armond Joseph,  
Social Security Administration



WA OFM.pdf

### Highlights

- 2016 W-2 Reminders
  - W-2s mailed to employees postmarked no later than January 31, 2017
  - W-2 Deadline to SSA - January 31, 2017
- On December 12, 2016, the SSA will start processing 20 million W-2s each day. Reason: To help combat tax fraud.
- The IRS will be imposing higher penalties.
- Social Security Number Verification Service (SSNVS) can be used for name and number matching for wage reporting.
- E-Verify is available to check the SSN and Citizen Work Authorization status. Go to [www.uscis.gov](http://www.uscis.gov) Click on the E-Verify Logo.
- Social Security statements are available online. Employees can learn more at [www.socialsecurity.gov](http://www.socialsecurity.gov).
  - Statements are mailed to employees at ages 25, 30, 35, 40, 45, 50, 55, and 60, three months prior to the employee's birthday.
- Employees may be able to apply for a replacement Social Security Card online. Employees can go to My Social Security at [www.socialsecurity.gov](http://www.socialsecurity.gov).

## HRMS Data Stewards

Erica Munro,  
Office of Financial Management



HRMS\_Data\_Stewards\_PPA\_Meeting\_May

### Highlights

- 31 of the 42 general government agencies with 100+ employees are represented. See the full list in the attached handout.
- The role of the HRMS Data Steward is to:
  - Represent the agency's HRMS data needs
  - Promote the use of HRMS Data Definitions
  - Ensure agency business processes adhere to data standards
  - Lead agency participation in HRMS data activities
- The group is currently working on:
  - Date Specifications Project
  - Vacancy Indicator Project
  - Data Integrity

## Deferred Compensation: Newly Hired Employee Participation (ESSB 5435)

Eleanor Conway,  
Department of Retirement Systems



PPA Meeting  
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### Highlights:

- DRS was unable to attend and will present at the September PPA Meeting.
- Beginning January 1, 2017, newly employed full-time state employees will be mandatorily enrolled in the Deferred Compensation Program (DCP).
- Steve Nielson presented based on a Q&A document provided to the PPA Executive Committee by DRS:
  - A statewide waiver form will be developed.
  - Employees can stop their contributions at any time.
  - Employees will default into the Retirement Strategy Fund.
    - The investment option can be changed any time following default.
  - Career seasonal employees are eligible if full-time and eligible for DCP.
  - Non-permanent seasonal employees are eligible if full-time and eligible for DCP.

## Payroll and IRS Issues Affecting All Agencies:

Steve Nielson,  
Office of Financial Management



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### Highlights:

- PATH Act (Protecting Americans from Tax Hikes Act)
  - Transit and parking:
    - For 2016, the amounts for both transit/vanpool and parking are \$255/mo.
    - The internal revenue code was amended to state both amounts will always be equal.
    - For more information, refer to IRS Publication 15-B at <https://www.irs.gov/pub/irs-pdf/p15b.pdf>
  - Changes to IRS Forms W-2 and 1099 Filing
    - Effective with 2016 returns
    - Why the change? The IRS is increasing efforts to reduce tax refund fraud.
  - Form W-2 Filing with the SSA
    - Current deadline: March 31
    - New deadline: January 31
    - HRMS is already in compliance
    - Reconcile Forms 941 and W-2 each payday
  - Form 1099-MISC filing with the IRS
    - Current deadline: March 31
    - New deadline: January 31
    - This will be a change to current process
    - Don't wait until January to reconcile – reconcile throughout the year
  - Safe harbor for de minimis errors on information returns and payee statements
    - Effective with 2016 Forms W-2 and 1099
    - The limits are:
      - <\$24 for tax withheld
      - <\$100 for other boxes
    - Watch for further guidance from the IRS
- Correcting payroll errors on Day 4
  - A new process has been created for accounting data that is interfaced to AFRS from HRMS.
  - Errors will be available on the AFRS IN.3 screen during the day of Day 4.

- Agencies have the opportunity to fix and release errors so that they will process that night along with the payroll transactions that had no errors.
- Effective with the April 10, 2016 payroll.
- Errors not corrected will continue to show on the IN.3 screen until corrected and released (same process as today).
- Health Care Activity Report
  - Benefits of the report
    - View one or several months at a time
    - Can view activity for all employees, one employee, or only those who have a difference between HRMS and PAY1
    - Both employee and employer contributions are displayed.
- Shared leave returns and former employees
  - Per OFM State HR:
    - Vacation leave is not returned to former employees, either retired or resigned
    - Sick leave is only returned if the employee has resigned (not retired) with a 5 year limit
    - Dollars are still transferred

**SAAM Updates:**

**Steve Nielson,  
Office of Financial Management**

**Highlights**

- Shared leave – SAAM 25.40.10.c and g
  - Updated to mirror language in HB 2557.
- Workers' compensation – SAAM 25.50.20.a
  - For full-time employees, removed the option to calculate premiums based on actual hours worked. All agencies, including higher ed, are using the monthly average of 160 hours.
- Deceased employees – SAAM 25.70.30.c
  - Removed the requirement for the claimant to state why he or she thinks he or she is a successor.
- Filing of IRS information returns – 50.10.30.a
  - Updated to reflect the new filing deadlines based on federal law changes.

**Notice of Return (NOR) of Employee's Net Pay:**

**Steve Nielson,  
Office of Financial Management**

**Highlights**

- Run HRMS zhr\_rptpy151 (Corrections and Returns for Agency Action) to find the employee.
- Sometimes the employee will notify Payroll before the Office of the State Treasurer.
- Other reports to use (look for net pay):
  - zhr\_rptpy126 (Payroll Posting Report)
  - zhr\_rptpyN33 (Payroll Journal)

**Changes in PPA Leadership:**

**Steve Nielson,  
Office of Financial Management**

- Margee Thompson has taken a new job with the Health Care Authority and will no longer be the Chair of the PPA Executive Committee. Thanks to her for her leadership!
- Elizabeth Smith, Payroll Manager at Department of Health, has agreed to be the new Chair.
- Taletha Walker from Parks will help Elizabeth and provide backup.

**Next Meeting**

- Tuesday, September 27, 2016
- 9:00 – noon
- OB-2 Auditorium