HR / Payroll Conference Call

March 17, 2015
Agenda

• Payroll Updates
  – March Payroll Clusters

• Benefits Updates
  – Annual Enrollment Updates
  – AON Implementation Update
  – Savings Plans (401k/457) Reminders

• OM/PA Updates
  – Veterans/Military Status Changes (Nancy Astrike / OSHR)
  – New PA Action/Reason for Temporaries: 14 Temp to Temp
  – PA Actions-Reasons Definitions Job Aid Updated
  – Miscellaneous updates / information

• Time Updates
  – Adverse Weather Updates
  – Daylight Saving Time Reminder
March Monthly Payroll

- March Payroll Clusters
  - There are March Payroll Clusters
    - These results were created 2/25/2015
    - Any changes that you have made since 2/25 are not reflected in these results.
    - Initialization will be March 20- results will be refreshed at that time.
Annual Enrollment Updates

- **NC Flex Exceptions:**
  - Memo distributed to Agencies 3/10/15
  - Effective March 16, 2015, OSHR will no longer approve exceptions regarding NC Flex annual enrollment errors.
  - Exceptions may still be submitted for administrative errors or unusual circumstances.
    - Please use the exception form located in the resources section of [www.ncflex.org](http://www.ncflex.org).

- Questions about the exception process or what qualifies as an exception should be referred to the NCFlex staff via e-mail or at (919) 807-4800.
Annual Enrollment Updates, continued

- **Evidence of Insurability (EOI) elections** -
  - Impacts NC Flex Cancer & Group Term Life elections

- Any EOIs still pending & left unresolved as of the March payroll deadline will be denied, but elections will remain for any applicable plans for a guaranteed amount.
  - Example: An existing Employee enrolled for the first time during Annual Enrollment in Group Term Life for $50,000. The guaranteed amount is $20,000 with no EOI required. The deduction for the premium for $20,000 would have begun in the Jan payroll. The remaining $30,000 would have been pending EOI submission. If EOI is not submitted & approved by the March payroll, the additional $30,000 of coverage will be denied. But the election for $20,000 will remain.

- Remind your employees to complete and submit EOIs to the vendors to ensure their election is processed.
AON Benefits Enrollment System

- On June 1, the State Health Plan is transitioning from Benefit Focus to Aon-Hewitt as the eligibility and enrollment vendor

- The Aon-Hewitt system is replacing the medical and NCFlex benefit enrollment functions of Beacon
  - BEACON employees will access the Aon-Hewitt system through the BEACON ESS portal
  - May 22, 6pm, the benefit enrollment links in ESS will be inactivated until June 1 when they will be updated to point to the Aon-Hewitt system
  - BEACON will send eligibility information to Aon-Hewitt that allows employees to enroll using the Aon-Hewitt system
  - Enrollment data from Aon-Hewitt will be loaded into BEACON nightly so that HBR’s can continue to use existing BEACON reports and display transactions.
AON Communication Plan

• BEST staff are documenting process changes for HBR’s including information on correcting pre-June data

• State Health Plan and NCFlex are creating a communication plan for employees
  – Information regarding the changes will be mailed out to employees

• Additional information on the transition and training for HBR’s is coming!
  – Updates to be provided at each monthly conference call
  – Webinars will be forthcoming!
Basic AON Enrollment Process

• **OSC/BEACON**
  – Provides eligibility data to AON

• **Agency**
  – Educates Employee on the Enrollment Process
  – Provides Benefits/Enrollment Information
  – Assists employee with enrollment or uploading documentation

• **Employee**
  – Enrolls Online
  – Provides/Uploads Supporting Documentation (dependent / QLE verification)

• **BEST**
  – Reviews supporting documentation
  – Approves/Rejects online enrollment / QLE changes
  – Communicates rejection info to Agency HBR/Employee

• **AON**
  – Provides enrollment data to BEACON for payroll processing
  – Provides employee customer service regarding enrollment process
Major Changes with AON

• Different Enrollment Screens – more user friendly

• Agency HBRs will no longer be creating adjustment reasons
  – Employees can go in and create their own QLE enrollment
  – BEST will be reviewing the enrollments and approving/denying based on documentation required

• Employees will be expected to provide supporting documentation for any dependents added to the plan or for any QLE changes at the onset of enrollment
  – Employees will be responsible for uploading this documentation into the AON system for verification
  – This includes New Hire & Annual Enrollments when adding a dependent
  – As per regular policy, employees will have 30 days to provide, but if not provided, the dependent will be dropped or the QLE change will be revoked
Savings Plans (401k/457) Reminders

- **Dollar Limits:**
  - Dollar limits on contributions have increased to $18,000 (from $17,500) for 2015
  - Catch up contributions for individuals age 50 or over increases to $6,000 (from $5,500) for 2015
  - **Total max limit - $24,000**
  - BEACON is programmed to calculate the employee’s yearly contributions to ensure contributions do not exceed the annual limit
Savings Plans (401k/457) Reminders

- **Enrollments & Contribution Changes**
  - 401k files are shared weekly
  - 457 files are shared monthly

- Any enrollments or changes that are received PRIOR to the Payroll Initialization will be processed for that month’s payroll

- Changes received during Payroll Corrections (Payroll Initialization through the end of the month) will be processed on the following month’s payroll
• **One Time Deferrals**
  - 401k will allow 80% of a single pay check to be deferred
  - 457 will allow 100% of a single pay check to be deferred
  - TSERS (6%), Social Security (6.2%) & Medicare (1.45%) will be deducted from the deferral = 13.65%
  - Deferral forms allow employees to indicate a dollar ($) amount or percentage (%)
  - **BEST recommends entering a dollar ($) amount!!**
  - Processing deferrals depends on when the Separation/Leave Payout or Longevity is entered and/or processed in the system
    - BEST is monitoring the system for these actions & will process the deferral amount as indicated on the form
  - If a percentage is indicated, employees run the risk of having more funds deferred than what they were intending
Savings Plans (401k/457) Reminders

- **457 Deferral Example:**
  - Employee separates 2/19/15
  - Employee submits deferral for 100%
  - Separation and Leave Payout (IT416) is submitted and processed for the Feb payroll
  - Result – The employee’s full Feb paycheck was deferred, this includes the regular pay due from 2/1-2/19 & the leave payout
    - It was the intent of the employee to defer ONLY the leave payout
    - This is a result of 100%being indicated on the form
    - The employee received NO PAY for Feb
  - Communication is KEY!
    - Communication to the employee regarding the process
    - Communication within the Agency regarding when a separation will be processed when a deferral is involved
    - Communication from BEST to try to be proactive to reduce these types of issues
Supporting North Carolina citizens who have served or are serving their country and state in the United States Armed Forces, Reserves and National Guard and their families is among the highest priorities of government.

As a result of this commitment, the newly designed infotype (IT0077 – Additional Personal Data) was created with a focus on streamlining information and providing more meaningful veteran and military data options.
The infotype includes information on Ethnic/Race Data, Military Status, Veteran Status, Additional Veteran Status, State Statute and Disability. For the purposes of Military and Veteran Status updates, you will need to review the following boxes:

1. Military Status
2. Veteran Status
3. Additional Veteran Status
4. State Statute
(IT0077 – Additional Personal Data)

- **Start**
  - To: 12/31/9999

- **Ethnic/Race Data**

- **Military Status**

- **Veteran Status**
  - Discharge Date
  - Special Disabled Veteran
  - Vietnam Era Veteran
  - Other Protected Veteran
  - Recently Separated Veteran
  - Armed Forces Service Medal Veteran
  - Disabled Veteran
  - Not a Protected Veteran

- **Additional Veteran Status**
  - Separated
  - Retired

- **State Statute**
  - Spouse of disable veteran
  - Spouse or surviving dependent of deceased veteran

- **Disability**
  - Disability Status
Military Status

- Select the appropriate Military Status from the drop down box based on the following definitions:
Definitions

• **01 Inactive Reservist**: An employee that has exited military service but is subject to “call up” or “recall” into military service.

• **02 Active**: An employee that has been called into active service in support of a state emergency by the Governor or State Adjutant General (**State Service**). Or an employee that has been called into active service in support of a federal operation by the President of the United States, the Secretary of Defense, Secretary of Homeland Security (for Coast Guard Members) or one of the Service Secretaries (Army, Navy, Air Force, Marines) (**Federal Service**).

• **03 Retired Reservist**: An employee that has exited military service but is subject to “call up” or “recall” into military service. Also call Inactive Ready Reserve or Inactive National Guard.

• **05 Drilling Reservist**: An employee who is actively serving in the National Guard or Reserves of any Branch of Service, but not currently on active orders. Also called traditional reservist or guardsmen, these employees are required to serve a minimum of one weekend per month and two weeks per year.
Veteran Status

- On the next entry, check the appropriate Veteran Status with confirmation from the DD Form 214 for the discharge date. All check boxes will be visible and you will be allowed to check more than one box based on the following definitions:
Special Disabled Veteran: A person who:

(1) A veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation under laws administered by the Department of Veterans Affairs for a disability):

   (A) Rated at 30 percent or more; or
   (B) Rated at 10 or 20 percent in the case of a veteran who has been determined under 38 U.S.C. 3106 to have a serious employment handicap; or

(2) A person who was discharged or released from active duty because of a service-connected disability.
Vietnam Era Veteran: A person who:

(1) Served on active duty for a period of more than 180 days, and was discharged or released therefrom with other than a dishonorable discharge, if any part of such active duty occurred:

(A) In the Republic of Vietnam between February 28, 1961, and May 7, 1975; or

(B) Between August 5, 1964, and May 7, 1975, in all other cases; or

(2) Was discharged or released from active duty for a service-connected disability if any part of such active duty was performed:

(A) In the Republic of Vietnam between February 28, 1961, and May 7, 1975; or

(B) Between August 5, 1964, and May 7, 1975, in all other cases.
Definitions

- **Other Protected Veteran**: A person who served on active duty during a war or in a campaign expedition for which a campaign badge has been authorized, under the laws administered by the Department of Defense.

- **Recently Separated Veteran**: Any veteran during the three-year period beginning on the date of such veteran’s discharge or release from active duty in the U.S. military, ground, naval or air service.

- **Armed Forces Service Medal Veteran**: Any veteran who, while serving on active duty in the U.S. military, ground, naval or air service, participated in a United States military operation for which an Armed Forces service medal was awarded pursuant to Executive Order 12985, signed by President Bill Clinton on January 11, 1996 (61 FR 1209).
Definitions

**Disabled Veteran:** A person who:

(1) A veteran of the U.S. military, ground, naval or air service who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Secretary of Veterans Affairs, or

(2) A person who was discharged or released from active duty because of a service-connected disability.

**Not a Protected Veteran:** A veteran who meets federal and/or state definition to qualify as a veteran, but is not in the protected class of veteran for employment, reemployment or benefits.
Additional Veteran Status

- Additional Veteran Status is a supplemental box to Veteran Status. An employee may have one or more boxes checked in the previous Veteran Status box, and also require a box to be checked in the Additional Veteran Status box.
Additional Veteran Status

- **Separated**: An employee who was a former member of the armed forces (who has exited the military) and is no longer subject to recall into military service beyond the three year period of discharge.

- **Retired**: An employee who was a former member of the armed forces who retired and is no longer subject to recall into military service.
In addition to Federal law and authority, N.C. State Statute and Human Resources policy also provides additional categories of veterans eligible for Veteran’s Preference.
State Statute

- **Spouse of disabled veteran**: the spouse of a disabled veteran.

- **Spouse or surviving dependent of deceased veteran**: the surviving spouse or dependent of a veteran who died on active duty during a period of war either directly or indirectly as a result of such service.
Data Validation:
- To ensure accurate data migration, we are asking each agency to review their current veteran and military status selections.
- Spreadsheet with migrated data will be provided by the end of March.
- Asking for completion by April 30, 2015.

Questions for us?
New PA Action/Reason for Temps

• A new PA reason to be used for temporary employees is being created under the Z8 - Transfer action. The new reason is labeled 14 - Temp to Temp and is defined as employee movement from a temporary position to another temporary position (Change in position number). The new reason will be available in Production on Friday, March 20th.

  - 14 Temp to Temp - employee movement from a temporary position to another temporary position (Change in position number)

• Additionally, a new table of actions to be used for Temporary employees has been added to the PA Actions-Reasons Definitions job aid. The new table can be found at the end of the job aid, pages 24-26:

Speaking of the PA Actions-Reasons Definitions job aid, an interactive table of contents has been added to help you quickly find the action you are searching for. Now you can click the action you need, and be taken directly to the definitions.

Table of Contents = Action Codes and Tables

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Miscellaneous OM/PA Updates

• When creating new org units, please refrain from “re-purposing” old unused org units. This has the potential to negatively impact history in BI. If a new org unit is needed, we recommend creating a new org unit instead of re-purposing an old one. If you have any questions, please let us know.

• Also, it’s that time of year for Spring Cleaning. Your BEST HR Representative will be sending you a listing of OM and PA PCRs that are over 90 days old. We need to ensure these old PCRs are either completed or cancelled. As always, please let us know if you need assistance.
Adverse Weather Updates

• Recording AW with Comp on the Books

• Since the user exit is in place to enforce the policy at the time the absence is keyed on the time sheet, the “LA” message (AW Lv Recorded & Comp Lv Available) will not be converted to a hard-stop error.

• Agencies can continue to monitor this informational message using PT_ERL00 if they choose to do so.
Adverse Weather Updates

- EE on LOA with an existing AW liability

- For ALL LOA scenarios, AW liabilities must be recovered prior to the EE being placed on LOA.

- In order to enforce this policy, the “LB” message (EE on LOA w/ AW Liability) will be converted to a red hard-stop error effective Friday, March 20, 2015.

- These errors have been sent separately to agencies, but on 3/20/2015, they will be included with the daily PT_ERL00 errors in a single email.
Adverse Weather Updates

- AW Liabilities remaining (as of 3/17/2015):
  - February – 5
  - March – 204
  - April – 277
  - May – 8,115
Daylight Saving Time

- “Spring Forward” occurred on March 08, 2015, at 2:00 a.m.

- Normal maximum of 24 hours of time worked and/or on-call should not exceed 23 hours for this date (03/08/2015).

- BEST will be monitoring for EEs that have recorded more than 23 hours on 03/08/2015 and advising agencies to correct.