

## *Highlights and Hot Topics*

### Year-end Deadlines for Overpayment Processing

Deadlines have been published for payroll adjustment requests related to overpayments and for employee repayments, to facilitate 2008 year-end processes.

To facilitate effective payroll adjustment processing for the 2008 year end, all ANA (Adjustment Notification Application) adjustment requests related to overpayments need to be submitted to University Payroll by Monday, December 1, 2008. Employee repayments due to overpaid wages or salaries need to be received in Payroll Customer Service by Monday, December 15 to facilitate correction of payroll records.

Any ANA Overpayment requests or employee repayments received after these deadlines may result in delayed processing and may not be reflected on the 2008 W-2 tax statements.

Significant tax consequences on behalf of the employee could occur as a result of the delayed processing.

Should processing be delayed due to units submitting ANA Overpayment requests after the December 1 deadline, the employee's 2008 W-2 will report earnings higher than the employee should have received. The employee will then be required to pay taxes based on this reported amount when filing 2008 taxes.

Employees with repayments processed in 2009 for a 2008 overpayment will be required to file and pay taxes on the entire amount received and reported on the 2008 W-2. A tax letter will be issued to the employee indicating the amount of earnings that can be adjusted. This letter can be sent in with the individual's income tax return to adjust accordingly. Employees that have questions regarding their personal income tax return or the tax letter should seek tax advice from a tax professional.

For more information on overpayments, refer to the [Overpayment Processing](#) section of the Payroll & Earnings site or Business & Financial Policies and Procedures, Section 4, Payroll.

If you have questions about overpayments or employee repayments, please contact the [Payroll Customer Service Center](#) at Chicago (312) 996-7200, Urbana (217) 265-6363, Springfield (217) 206-7211 or [payinq@uillinois.edu](mailto:payinq@uillinois.edu).

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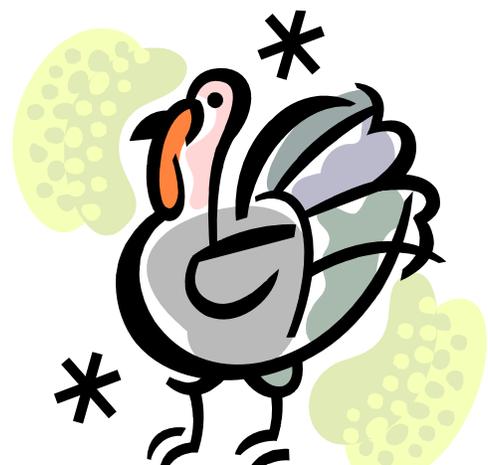
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## 2008 Benefit Choice 2 Enrollment Period

By: Tim Gavin

The State Department of Central Management Services (CMS) has announced that the dates of the Benefit Choice 2 Enrollment period will be from Monday, October 27 through Friday, November 14, 2008. All insured employees will receive a copy of the FY09 Benefit Choice 2 booklet sent directly to their home. [Please Note: The Benefit Choice 2 booklet contains a paper Election form developed by CMS to be used by State employees. **Do not use it.** By accessing the “Benefit Choice” option in the University’s web-based NESSIE system at <http://nessie.uihr.uillinois.edu>, you can make your benefit changes online. If you need assistance, select the Help link that appears on every screen for answers to common questions and phone numbers to call for assistance.

During this second enrollment period you may change your State health and life plan enrollments, opt into or opt out of the State group health insurance plan (if you have other non-state group coverage) and opt into or opt out of the dental plan. For information about flexible spending accounts (FSAs), see below. You may also add (documentation is required) or drop dependents and same-sex domestic partners. All changes will become effective on January 1, 2009.

There are two types of FSAs – the Medical Care Assistance Plan [MCAP] and the Dependent Care Assistance Plan [DCAP]. During this Benefit Choice 2 Enrollment period, no enrollments in the DCAP will be allowed, and if you are currently enrolled in MCAP or DCAP, you may not terminate your enrollment or make any changes to your deduction amount. Finally, contrary to the information published in the Benefit Choice Period 1 booklet regarding MCAPs, the only option allowed is for new participants to enroll (using NESSIE) with an effective date of January 1, 2009. Please note that the optional EZ REIMBURSE Card is available to you for a \$20 annual fee.

For a complete and detailed explanation of *all* benefit changes effective January 1, 2009, please refer to the January 1, 2009 Benefit Choice 2 booklet (also available online at the “Benefit Choice” option in NESSIE, [https://nessie.uihr.uillinois.edu/cf/benefits/index.cfm?Item\\_ID=10](https://nessie.uihr.uillinois.edu/cf/benefits/index.cfm?Item_ID=10)).

There is a helpful summary of “Important Changes for the Remainder of Plan Year 2009” on page 2 of the booklet. For your future use, please refer to this booklet along with your CMS July 1, 2004, Benefits Handbook and your CMS July 1, 2003, Group Life Insurance booklet for complete State group insurance plan benefit information.

All current (FY09) health plans will continue to be available through June 30, 2009. There will be no plan administrator changes at this time and no new health plans will be added. However, there are several changes in deductibles, copayments and premium increases. Beginning January 1, 2009, there will be a new prescription drug deductible that will be applicable to all the Managed Care plans and the Quality Care Health Plan. It will be a \$50 deductible per person, per plan year.

**If you do NOT want to make any insurance plan changes, you don’t need to do anything.**

**If you want to make ANY member or dependent health or life plan changes or enroll in an MCAP FSA, you must use NESSIE at the following link:** <http://nessie.uihr.uillinois.edu>

Beginning October 27, 2008, the Benefit Choice option can be found under the “Benefits” tab of NESSIE. NESSIE can be used to make changes until midnight Friday, November 14, 2008. Intermittent outages of NESSIE may occur during the Benefit Choice period due to Banner maintenance. Any outages will be posted on the NESSIE home page.

### IMPORTANT:

The State Department of Central Management Services does not permit us to accept Benefit Choice 2 changes submitted after November 14, 2008. The Benefits Service Center Offices will close at 5:00 p.m. on Friday, November 14, 2008, but NESSIE can be used until midnight Friday, November 14, 2008.

If you have any questions about your benefit plans or your options at this time, please contact your campus Benefits Service Center Office or send an e-mail to [benefits@uillinois.edu](mailto:benefits@uillinois.edu).

Benefits Service Center : **UIC** (312) 996-6471,  
**UIS** (217) 206-7142, **UIUC** (217) 333-3111

Dependent documentation can be faxed to (217) 244-3135.

# Foreign Nationals Renewing Tax Treaty Benefits for 2009 Tax Year

By *Emily Lange*

Employees who receive tax treaty benefits on their payroll checks are required to complete a Tax Status Review Appointment each tax year. These appointments are considered renewal appointments, and can be completed any time after November 1, 2008. Although tax treaties may allow for several years of benefits, the IRS procedures require tax treaty benefits to be extended for only one tax year at a time. The 2008 tax treaty benefits expire December 31.

Employees on the Chicago and Urbana campuses are able to schedule renewal appointments using the Foreign National Tax Status Review Appointment Web site: <http://training.obfs.uillinois.edu/index.cfm?campus=F>, or by contacting Payroll Customer Service. Employees who need to schedule a renewal appointment at the Springfield campus can either visit our office at Building Services Building (BSB) 85, or contact Payroll Customer Service.

University Payroll Customer Service can be contacted at Chicago (312) 996-7200, Urbana (217) 265-6363, Springfield (217) 206-7211 or by e-mail at [payinq@uillinois.edu](mailto:payinq@uillinois.edu). Our phone lines are open Monday through Friday from 9:00 a.m. to 4:30 p.m.



## *Last Quarter*

### Customer Service Metrics

July- September 2008

|                          | July | August | September |
|--------------------------|------|--------|-----------|
| <b>Total Activity</b>    | 1311 | 1293   | 1266      |
| <b>Pending</b>           | 5    | 17     | 37        |
| <b>Resolution Closed</b> | 1952 | 1708   | 2218      |

Total Activity represents the number of Clarify cases handled by Payroll Customer Service. Pending resolution refers to the number of cases still open out of those submitted at the end of each month. Closed are resolved issues.

### Payroll Operations Metrics

During the last quarter, a total of 310 timesheets fell into an error status at Disposition 05 and had to be manually fixed by Payroll Operations. This error occurs when an employee's required statutory deductions are not active or do not exist during the pay period.

### Adjustments Processed

July-September 2008

| July | August | September |
|------|--------|-----------|
| 4234 | 3565   | 4790      |

## Questions and Answers

**Q:** How and when can I obtain my W-2 for 2008?

**A:** The University of Illinois offers the convenience of electronic W-2s. You can consent to receive your W-2 electronically by going to the [NESSIE](#) website. Employees who consent to receive their W-2 electronically will access it at their convenience via the NESSIE website. This year the electronic W-2 will become available no later than Friday, January 16, 2009. If you haven't consented by then it's not too late; **consent will remain open through January 18, 2009, only until 10:59 p.m. Central Time.**

Printed paper W-2 forms will be mailed on January 31, 2009 to employees who DO NOT consent to receive their W-2 electronically by January 18, 2009, by 10:59 p.m. CT.

**Q:** How can I get a duplicate copy of my W-2?

**A:** To request a duplicate copy of your W-2, please call our W-2 vendor, JAT at (866) 923- 6767 after February 13, 2009. Employees can also access a duplicate W-2 electronically through NESSIE after February 13, 2009 even if they have not consented to receiving the original W-2 electronically.

**Q:** Is an electronic W-2 a legal document?

**A:** Yes, the Internal Revenue Service has approved the use of electronic W-2 distribution. However, IRS regulations require that the employees consent to the electronic distribution and the manner of consent must prove the employee has access to receive the W-2 electronically. The University has met this requirement by providing a link within NESSIE where employees can provide this consent. The consent process is open now.

**Q:** What happens after I consent to receive my W-2 online?

**A:** Once the employee submits the information to receive their W-2 online, they will receive an email from JAT Software indicating they have consented to receive their W-2 electronically. University Payroll will send out a notification when your W-2 is available online, and instructions on how to access it.

Employees who have previously consented to receive their W-2 form electronically do not need to do

anything to receive their W-2 electronically again this year.

**Q:** If I want to receive my W-2 via mail, why do I need to make sure that my address is up-to-date in NESSIE?

**A:** University Payroll will access the mailing address (MA) listed on the employee's Personal Information tab in NESSIE to print on the W-2s. If the employee does not have an active mailing address, the W-2 will be sent to the permanent address. If your address is not updated and you are receiving a paper W-2 it may be delayed or returned.

Employees can update both their mailing and permanent address through NESSIE following the instructions on the Employee Address Change Web page. This should be completed by December 31, 2008, for 2009 W-2 purposes.

### More Information

The [Tax Information](#) section of the Payroll & Earnings Web site provides details on how to access the electronic form and about the reissue process. This information also will be communicated through MASSMAIL.

**Q:** When does Staff and Student time entry for BW 26 2008 and BW 1 2009 need to be approved and submitted to Payroll?

**A:** Staff and Student time entry must be approved and submitted to Payroll no later than 5:00 p.m. on Tuesday December 16, 2008 for the BW 26 payroll. Time Entry for Staff and Students must be approved and submitted to Payroll no later than 3:00 p.m. on Tuesday December 23, 2008, for approvers and Sunday December 28, 2008, at 5:00 p.m. for superusers for BW 1 payroll. There will be normal distribution of checks and paper earning statements for both of these BW holiday pay periods.

**Q:** What are the payroll adjustment calculation and pay schedules for BW 26 and BW 1?

**A:** The adjustment calculation will be on Monday, December 22, 2008 for BW 26. Adjustments submitted by 5:00 p.m. on Friday, December 19, 2008, will be mailed to the employee's home address on December 23, 2008, to be paid on December 24, 2008. For BW 1 2009, Adjustments through ANA/current pay-period are due by December 28, 2008.

# Important Payroll Dates

Payroll Calculation deadlines can be found at the following link:

<http://www.obfs.uillinois.edu/obfshome.cfm?level=2&path=earnings&xmldata=payschedules>

## Payroll Training Events Now Open for Registration

### UIC

#### Labor Redistributions

December 11, 2008 9:00 a.m.-10:30 a.m.

#### One Time Payments

December 11, 2008 11:00 a.m.-12:30 p.m.

### UIUC

#### Labor Redistributions

December 11, 2008 9:00 a.m.-10:30 a.m.

#### One Time Payments

December 11, 2008 11:00 a.m.-12:30 p.m.

### UIS

*There are no courses scheduled at this time.*

For further information on the Payroll courses or to register for a class, please visit the [OBFS Training Center](#).

## Foreign National Mass Appointment Lab Dates:

### UIC:

#### New Employees & Renewals:

November 19, 2008

November 20, 2008

November 25, 2008

### UIUC:

#### New Employees & Renewals:

November 18, 2008

November 20, 2008

November 24, 2008

Foreign National Mass Appointment labs for status review of new employees and for current employee renewals are listed at the [lab registration site](#).

## Holiday Payroll Schedule

### Thanksgiving Week:

Pay day November 26

### Year End holiday break:

#### BW 26 2008

Timesheets approved by 5:00 p.m. December 16

Paper Checks Mailed to Campus Address December 23

Adjustment Checks Mailed to Home Address December 24

#### BW 1 2009

Time Entry/Approvers December 23, 12:00 p.m

Superusers December 28, 5:00 p.m.

Adjustments Approved January 5, 5:00 p.m.

Adjustments Paid January 7

Adjustments Approved January 6, 5:00 p.m.

Adjustments Paid January 9

### URLS:

#### OBFS Web site

<http://www.obfs.uillinois.edu/>

#### Payroll & Earnings Web site

<http://www.obfs.uillinois.edu/obfshome.cfm?level=1&path=earnings&xmldata=earnings1>