

## *Highlights and Hot Topics*

### Payloan Policy Revision

By Laura Barnett

University Payroll policy and guidelines for the approval of payloans have been revised to address recent internal audit comments. Departments may still submit requests for an employee to receive a payloan; however, the criterion for approval is now more consistent with the current need for payloans.

Payloans should only be requested when an employee's job or job change is not in Banner and the employee has not received pay due. Payloans are available to Civil Service, Academic Professional and Faculty employees. The employee may receive up to 60% of their base pay and recapture of the payloan will occur on the next available pay period.

Extra Help and Student Employees are not eligible to receive payloans due to the inconsistent length of appointment and sporadic work schedules which hamper payloan recapture. Payloans are not appropriate for terminal vacation and sick leave payouts, Non Resident Alien employees without a

TCN, SSN or ITIN or for future pay periods.

Payloan requests will be denied by University Payroll when an employee's job exists in Banner even though the employee has not been paid. The payroll adjustment process exists to pay these payments and the department must follow the adjustment procedures.

To review and approve a payloan request, University Payroll must receive ALL of the following:

- [Request for Payment Form\\*](#)
- [Invoice Voucher and Travel/Program Advance Form\\*\\*](#)
- Copy of PITR or HR Transaction Checklist

The employing department must complete all fields of the Request for Payment form and the form must be signed by the Department Head/Business Manager and employee. The employee MUST sign the Request for Payment form as authorization of a future deduction to his/her pay.

The following fields of the Invoice Voucher and Travel/Program Advance Form must be completed by the department:

- Employee Name, UIN, and remittance address
- Departmental Contact Information
- Date, reason for request as identified on the "Request for Payment" form, and amount under Employee Miscellaneous Expense Reimbursement
- Signature from the Department Authorized Personnel

Questions or concerns regarding this change in policy can be referred to University Payroll Customer Service at [payinq@uillinois.edu](mailto:payinq@uillinois.edu), Chicago (312) 996-7200, Urbana (217) 265-6363, Springfield (217) 206-7211.

## INSIDE THIS ISSUE

### 1 Highlights and Hot Topics

- Pay Loan Policy Revision– page 1

### 2 Current Quarter

- State University Retirement – page 2

### 3 Last Quarter

- Payroll Customer Service Metrics – page 3
- Payroll Operations Metrics – page 3

### 4 Questions and Answers– page 4

### 5 Important Payroll Dates – page 5

# State University Retirement Annuitants not eligible for Social Security Withholding at the University of Illinois

By: Pamela Hatton

University of Illinois employees with a job of at least 1% for at least 4 months are eligible and certified to participate in the State Universities Retirement System (SURS). SURS participants have 8% pretax deductions on their earnings sent to SURS as contributions to their retirement program for each payroll period they have eligible earnings. Participants in SURS are not eligible for Social Security withholding.

When an employee who has contributed to SURS retires and is receiving an annuity payment from SURS returns to the University as a returning retiree employee, they are still considered a participant in SURS based on his/her annuitant status.

Again as a SURS participant he/she is not eligible to contribute to Social Security here at the University of Illinois no matter what type of job he/she is hired into, nor for how long. As an annuitant the employee is not eligible for SURS withholding either.

So returning retirees do not have Social Security or SURS withheld from their earnings. They may have Medicare depending on their original hire date and how long they were separated from the University before returning after retirement.

University Payroll discovered that some of the deductions for returning retirees were not consistent with the SURS and Social Security requirement. Therefore, in October more than 200 employees identified as returning retirees received refunds of Social Security withholding (OASDI portion of FICA) for 2007.

Some employees have also had Social Security withholding in 2004, 2005 and 2006 while they were considered participants in SURS. These employees were sent letters along with affidavits for each year Social Security funds were withheld. These affidavits are required to ensure employees do not request refunds directly from Social Security Administration as well as receive refunds from the University of Illinois. After the signed affidavits are received by University Payroll, refunds will be issued along with W2Cs adjusting the Social Security withholdings and earnings.

If the affidavits have not been returned by December 1, 2007, University Payroll will still issue a refund and W2Cs for the amounts deducted from 2004, 2005 and 2006 and send the documents to the employee. By endorsing the check, the employee is confirming he/she will not or has not already applied for the refund from the SSA.

University Payroll will continue to monitor the returning retiree employees for Social Security withholding to prevent this error in the future.

Please contact Payroll Customer Service at Chicago (312) 996-7200, Urbana (217) 265-6363, Springfield (217) 206-7211 or [payinq@uillinois.edu](mailto:payinq@uillinois.edu) if you have any questions.



## Customer Service Metrics

August- October 2007

	August	September	October
<b>Total Activity</b>	1493	1815	1437
<b>Pending</b>	4	32	190
<b>Resolution Closed</b>	1523	1820	1332

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 284 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

August- October 2007

August	September	October
3632	4700	4816

### Lab/Office Appointments

#### July

UIUC – 81  
UIC – 39  
UIS – 3

#### August

UIUC – 166  
UIC – 103  
UIS – 22

#### September

UIUC – 227  
UIC – 131  
UIS – 13

### Total Lab/Office Appointments

July – Sept - 785

### Vouchers Processed at UIUC

July 181  
August 190  
September 234

### Total Vouchers processed for Jan - March – 605



## Questions and Answers

**Q:** How and when can I obtain my W-2 for 2007?

**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 January 14, 2008. If you haven't consented by then it's not too late, consent will remain open through January 18, 2008.

Printed paper W-2 forms will be mailed on January 31, 2008 to employees who DO NOT consent to receive their W-2 electronically by January 18, 2008.

**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 8, 2008. Employees can also access a duplicate W-2 electronically through NESSIE after February 8, 2008 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 accesses 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, 2007, for 2008 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.

**Q:** I have an employee who was overpaid. What needs to be done by my department to collect the amount due back to the university?

**A:** Effective January 1, 2008, the department process involving overpayment collections will change. Town hall meetings have been scheduled during the month of November to review the changes that will be in effect. You may also visit the OBFS Web site at <http://www.obfs.uillinois.edu/obfshome.cfm> for updated information.

**Q:** How can departments determine if an individual is a non-resident or resident alien when processing requests for scholarship payments?

**A:** The answer to this and other questions can be heard at the Foreign National Scholarship Payment Town hall Meeting, sponsored by OBFS and hosted by University Payroll (please see important payroll dates, page 5).

The meetings are being held to describe the upcoming changes for processing scholarship payments to foreign national students who are not residents of the United States. An overview of the process and the options that will be available to departments will be presented.

## Important Payroll Dates

### Payroll Training Events Now Open for Registration

#### *UIC*

##### **Payroll Overview**

November 30 9 – 11:30 am MAB

##### **Payments to Foreign Nationals Overview**

November 30 1 – 4:00 pm MAB

##### **FN Scholarship Town Hall Meeting**

November 29 10:00 am – 12:00 pm MBRB

##### **Overpayments Town Hall Meeting**

November 28 9:00 am – 11:00am SPHPI

##### **Adjustment Processing for Units (PR 120)**

December 13 9:00 am – 12:00 pm MAB

##### **Department Time Entry for Bi-weekly Employees (TA 105)**

December 13 1 – 4:00 pm MAB

#### *UIUC*

##### **Payroll Overview**

November 27 9 – 11:30 am 111 E. Green

##### **Payments to Foreign Nationals Overview**

November 27 1 – 4:00 pm 111 E. Green

##### **FN Scholarship Town Hall Meeting**

November 28 10:00 am – 12:00 pm NSRC  
1:30 pm – 3:30 pm NSRC

##### **Overpayments Town Hall Meeting**

November 29 10:00 am – 12:00 pm NSRC  
1:30 pm – 3:30 pm NSRC

##### **Adjustment Processing for Units (PR 120)**

December 10 9:00 am – 12:00 pm 111 E. Green

##### **Department Time Entry for Bi-weekly Employees (TA 105)**

December 10 1 – 4:00 pm 111 E. Green

#### *UIS*

##### **FN Scholarship Town Hall Meeting**

Nov. 26 1:30 pm – 3:30 pm PAC-F

##### **Overpayments Town Hall Meeting**

November 26 10:00 am – 12:00 pm PAC-F

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

## Other Dates

Payroll Calculation deadlines can be found on the posted [Payroll Schedule for 2007](#).

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

### Thanksgiving Week:

Pay day November 28

### Year End Holiday Break:

BW 26 Calc	December 18
Timesheet Approvers	December 18
Superusers	December 18
Direct Deposits Credited	December 26
Paper Checks Mailed	December 22
Paper Earnings Statements	January 2
Electronic Earnings Statements	December 21
Adjustments Approved	December 19
Adjustments Paid	December 21
Direct Deposit	December 21
Paper Checks	December 26

### URLS:

OBFS Web site  
<http://www.obfs.uillinois.edu/>

#### Payroll Schedules

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

#### OBFS Training Center

<http://www.obfs.uillinois.edu/obfshome.cfm?level=1&path=training&xmldata=training1>

#### ANA Training Guide

[http://www.obfs.uillinois.edu/earnings/ANA\\_Training.pdf](http://www.obfs.uillinois.edu/earnings/ANA_Training.pdf)

#### Payments to Foreign National Employees

<http://www.obfs.uillinois.edu/obfshome.cfm?level=1&path=foreign&xmldata=foreign1>

#### Tax Information

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