STATEWIDE PAYROLL MEETING
FISCAL YEAR END

Bi-weekly Payroll Check-ins
Off Compute Wednesdays
May & June for FYE tasks
Introductions

• Central Payroll
  – Tracey Smith
  – Sam Tekien
  – Lalita Farr
  – Vahn Vo
  – Misty Delgado
  – Everett Rubio
  – Tristen Legate
  – Joy Bridges, RASL
  – Joy Plaster, Garnishments

• Systems Integration
  – John Valentine
  – Brian Dodge
  – Michael Williams
Contact Information

- GAO Payroll/RASL [https://gao.az.gov/payroll-rasl/payroll-guide](https://gao.az.gov/payroll-rasl/payroll-guide)
- Payroll Calendars
- Retirement Rates
- **Agency Payroll Resource Contact List**
- **Employee Resource Contact List**
- Send Agency Payroll Contact updates to [Central.Payroll@azdoa.gov](mailto:Central.Payroll@azdoa.gov)
Website Registration

https://gao.az.gov/register-updates

SAAM 0010 Requirement:
• Each agency must “Register for Updates” and must ensure that the appropriate personnel in the agency also “Register for Updates.” The appropriate personnel in an agency are identified by their roles and responsibilities within the agency and include, minimally:
  – The CFO, any CFO delegates, and Chief Accountant
  – Any user of HRIS
  – Agency P-Card Administrator, Users of the P-Card
  – Agency Travel Card Program Administrator, users of the Central Travel Account
Recent Accomplishments

• Health Impact Program Payments (HIP) [Jan 2022]
  – Processed in conjunction with ADOA-Benefit Services Division (BSD)
  – Paid on January 13, 2022 with employee’s regular, bi-weekly paycheck
  – View 2022 Program on Wellness website
  – New tiered payment schedule based on points

• Data Warehouse: New Reports [Mar 2022]
  – Info: EE Historical Daily Time Records, Payroll Employee Group
  – Monthly: SLFRF CSPP Employee Listing
  – Pre-Compute: Pending Time Records: High Hours, Shift Differential

• Data Warehouse: Reports Renaming [Mar 2022]
  – Pre-Compute, Post Compute, Informational, Monthly, Annual

• Data Warehouse: New Folder [Mar 2022]
  – Agency Remote & Virtual Work Reports

• Out of State Worker (OOS) Quarterly Reports [Apr 2022]
  – 24 Withholding Reports
  – 28 Unemployment Reports

• BSI Upgrade [May 2022]
  – Mandatory upgrade to tax program behind HRIS
GAO Policy Updates

• Updates to Statewide GAO Policies
  – May be effective immediately
    • https://gao.az.gov/publications/saam

• New Statewide GAO Policies published as drafts
  – 60 day comment period
    • https://gao.az.gov/publications/saam/saam-draft
    • gaopolicy@azdoa.gov

• Publications
  – State of Arizona Accounting Manual (SAAM)
    • SAAM Drafts
      – Topic – 50 Travel
      – Topic – 55 Payroll
      – Topic – 80 Miscellaneous
      – Topic – 90 Special Topics
Legislative & Policy Updates

• Legislature: [https://www.azleg.gov/](https://www.azleg.gov/)
  – **SB1045**: PSPRS Health Insurance Plan for Defined Contribution (DC) members. Related to Insurance Subsidy provided by PSPRS
    • 90 days to opt in
      – Active Employees: from 7/1/2022
      – New Employees: from Hire Date
      – First deductions will occur in October for Active Employees as of 7/1/2022
  • Rate: New series of deductions on Retirement Rate Table in APG
    – PSPRS Tier 3 DC: .19% for employee and employer
    – CORP Tier 3 DC: .17% for employee and employer

– **SB1084**: PSPRS Cancer Insurance Premiums
  • Continued to be paid for by Agency
  • Employee to be charged Imputed Income on premium ($50)
  • 3 year phase out of taxability
    – year 1: payment is ⅔ taxable
    – year 2: payment is ⅓ taxable
    – year 3: payment is non-taxable
Legislative & Policy Updates (cont’d)

– **HB2223**: National Guard Members on State Active Duty (SAD)
  • Codifies Executive Order signed March 24, 2022
    – Active 30+ days are eligible for same benefits Federal benefits
      » Leave Accruals: 2.5 days per month
      » Holiday Leave: 11 holidays per year
  • Eligibility for coverage in ADOA Insurance Plans (no change to A.R.S. §26-158)

– **HB2063**: PSPRS; CORP Reemployment Period
  • Reduces required time away from work from 12 months to 6 months
Two Payment Options

● Deduct from next Paycheck(s)
● Personal Payment

1. Deduct Amount from Next Paycheck(s)
   • Employee signs, GAO-70a scanned to Central.Payroll@azdoa.gov
   • 3901 Misc Recovery Deduction taken from next paycheck. To split recovery over two paychecks, indicate the split in the email.

2. Personal payment (Check, Money Order, Cashiers Check)
   • Employee initials
   • Agency deposits payment in AFIS using Object 6199
   • GAO-70a scanned to Central.Payroll@azdoa.gov include AFIS Function on GAO-70a or email
   • GAO will process an AFIS IETBSPR with the Function provided
ASRS Fiscal Year Intent Review

• State law requires participation in the ASRS when all membership criteria are met. A.R.S. § 38-711.23(b) defines members as
  – “… all employees of an employer who are eligible for membership pursuant to section 38-727 and who are engaged to work at least twenty weeks in each fiscal year and at least twenty hours each week.”

• At the beginning of each fiscal year, a review of these types of employees needs to be done to determine and document the employer’s intent regarding ASRS 20/20 criteria
  – Intent of employment at the beginning of the new fiscal year or when a job change occurs

• Monitor employees for 20/20 criteria
  – Use “ASRS Eligibility Review (code 9) Report” in the Data Warehouse

*NOTE: Any arrears contributions for FY22 that are not collected by 6/30 must be collected through the Contributions Not Withheld (CNW) process
ASRS 20/20

- Should be completed each fiscal year
  - Intent can change

- Filed in the employee’s file

- Signed off on by someone “in the know” of the intent
  - Supervisor
  - Manager
  - Human Resources

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**State of Arizona**
**Arizona Department of Administration**
**General Accounting Office**

**ASRS 20/20 CERTIFICATION OF EMPLOYER INTENT FOR CURRENT FISCAL YEAR**

**INSTRUCTIONS**
State law requires participation in the ASRS when all membership criteria are met. A.R.S. § 38-711.23(b) defines members as “… all employees of an employer who are eligible for membership pursuant to section 38-727 and who are engaged to work at least twenty weeks in each fiscal year and at least twenty hours each week.”

In order to determine if a particular employee is “engaged to work 20/20”, we need to understand if you intend that the employee will work 20/20 in the current fiscal year based on the terms of employment and intended duration. Consider any changes that are believed to occur in the current fiscal year. If no substantial changes to their current work hours are expected to occur, consider the employee’s actual work history in the prior fiscal year as an indicator of what they may likely work in the current fiscal year.

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<table>
<thead>
<tr>
<th>EIN</th>
<th>Employee Name</th>
<th>Position</th>
<th>FTE</th>
<th>Work Schedule</th>
</tr>
</thead>
</table>

The terms of employment and intended duration, as of: __________ have been reviewed for:

Individuals with personal knowledge of the employer’s intent should indicate the agency’s intent below.

The agency **ANTICIPATES** that FOR THE CURRENT FISCAL YEAR, the employee listed above:

- [ ] **WILL WORK** at least twenty weeks for at least twenty hours each week
  - [Provide any information about FTE, position, work schedule, work projects, expected employment duration, etc., that is known at this time. You can attach additional information if needed.]

- [ ] **WILL NOT WORK** at least twenty weeks for at least twenty hours each week
  - [Provide any information about FTE, position, work schedule, work projects, expected employment duration, etc., that is known at this time. You can attach additional information if needed.]

I am authorized on behalf of my agency to make this certification.

EIN / Authorized Signature / Date / Agency ID/ Name

GAO-ASRS-20-20 (1/19/2016)
ASRS 20/20 Tracking

ASRS Eligibility Review
(code 9) Report
(Data Warehouse)
- All employees on the report must be tracked for ASRS 20/20 Membership
- Employees with ASRS ACR are excluded from report

ZR230 Time Record Edit Detail
(HRIS on Demand)
- Report displays total hours by week for each pay period
- Run for entire agency or specific process level

ZR230 Parameters for ASRS 20/20 Tracking
- Pay Class MUST BE R20
- Per End Date: Fiscal Year
- Term Status: T2, R2 U2
- Period/Weekly Hour Limit: Leave blank
- PR197 Run: Yes
Overtime Impacts of Bonuses (U.S. Dept of Labor)

• Non-Discretionary (most bonuses)
  – Must be allocated for overtime and retirement purposes
  – Announced to employees to encourage them to work more steadily, rapidly or efficiently and bonuses designed to encourage them to remain with the facility
    • Attendance bonuses (Retention Incentive), individual or group production bonuses (Goal Based Incentive), bonuses for quality and accuracy of work (Merit Based Incentive), bonuses contingent upon the employee’s continuing employment until the time the payment is to be made (Retention Incentive). They must be included in the regular rate of pay

• Discretionary (surprise bonus to the employee)
  – §778.211: “Sums paid in recognition of services performed during a given period if *** (a) both the fact the payment and the amount of the payment are determined at the sole discretion of the employer at or near the end of the period not pursuant to a contract, agreement or promise causing the employee to expect such payment regularly ***”
    • Discretionary in one year may not mean it is discretionary in subsequent years
    • Not announced in advance. Fully earned when announced, such as a SPOT award
    • Few bonuses are discretionary under FLSA
Compensation Strategies

• Please coordinate with Agency Leadership and ADOA Human Resources to ensure Incentive Payments can be paid as intended
  – Email Central.Payroll@azdoa.gov to coordinate timing

• Authorized non-discretionary incentives such as merit and goal based incentives need to be allocated weekly over the time period your employee was working to earn.

• Deadline: Incentive Payments should not be scheduled for the June 30th payroll.
  – If any error occurs, there is NO time to correct in FY22
  – No manual warrants are authorized for incentive payments
HRIS Statewide ETE Items

• June 23rd – Noon
  – ETE Template custom uploads are due to GAO
  – Email: Central.Payroll@azdoa.gov

• June 25th – 6:00 PM
  – ETE Cutoff for all agencies

• June 26th – 7:00 AM
  – ETE Interface scheduled for Sunday with FY22 labor

• June 27th - morning
  – Updating Account Template Sub-Account (BFY) 2022 to (BFY) 2023

• July 9th – 6:00 PM
  – Templates must be updated by the ETE deadline
  – HRIS is view only on July 1st, YES (ETE) still available for update
Handwrites through Fiscal Year End

• Should be kept to a minimum to avoid PEDF1 document rejects on the Document Catalog

• Travel & Other Reimbursement handwrites allowed June 15-30, 2022
  – Minimum handwrite threshold lowered from $100 to $10

• GAO will be verifying cash and appropriation availability in AFIS

• July 1st - HRIS is view only, no manual warrants.

• July 5th going forward, manual warrants may default to BFY23
After June 22nd, any new AFIS accounting elements to be used for HRIS labor distribution on the first pay cycle must be entered as FY23.

The System Integration team will download all FY23 AFIS COA elements (associated with HRIS Labor Distribution) on June 22nd, for a one-time manual upload to HRIS on June 23rd.

- Therefore, BFY23 AFIS COA elements for HRIS Labor Distribution should be set up no later than June 21st.
- The manual upload will ensure FY23 labor distribution elements are established in HRIS prior to the updating of ETE Account Templates on Monday, June 27th.

Through June 27th, FY22 Chart of Accounts (COA) elements will be transmitted to HRIS (during the nightly batch processing).

Beginning June 28th, only FY23 AFIS profiles will be interfaced to HRIS; FY22 elements will no longer be included on the nightly interface.
HRIS Statewide Position Update

• July 2nd - 3rd
  – XP02/ZP02 Update
    • Updating Sub-Account (BFY) 2022 to (BFY) 2023
    • Update Position labor distribution elements based on Agency requests/submittals
      – Send requests/custom uploads with subject line “HRIS POSITION UPDATES” to GAOSystemSupport@azdoa.gov no later than June 27, 2022
    • Errors must be fixed by July 8, 2022 to avoid rejects of time entry and ETE

• July 1st – HRIS View Only, No Handwrites
  – Perform time entry activities a day early if possible
  – XR23.3 Update
    • Updating Sub-Account (BFY) 2022 to (BFY) 2023
    • Update Multiple Labor Distribution elements based on Agency requests/submittals
      – Send requests/custom uploads with subject line “HRIS POSITION UPDATES” to GAOSystemSupport@azdoa.gov no later than June 27, 2022
    • Errors must be fixed by July 12, 2022 (2:00 PM)
Payroll Corrections - AFIS PEDF1 documents

- All AFIS PEDF1 documents in rejected status, must be finalized by July 9, 2022.

- GAO will be monitoring PEDF1 records to ensure they are being posted in a timely manner.

- Please contact your GAO AFIS Liaison for assistance, or to discuss any compliance issues.
# HRIS Critical Dates - June - July 2022

<table>
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<tr>
<th>Sunday</th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
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<tbody>
<tr>
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<td>31</td>
<td>1</td>
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<tr>
<td>ETE INTERFACE 7 AM</td>
<td>MEMORIAL DAY HOLIDAY OBSERVED</td>
<td>Agency: Check ZR630/628636 ETE EXTRACT error reports</td>
<td>COMPUTE</td>
<td>JUNE</td>
<td>PAYDAY 11</td>
<td>PAY PERIOD BEGIN</td>
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<tr>
<td>ETE INTERFACE 7 AM</td>
<td>Agency: Check ZR630/628636 ETE EXTRACT error reports</td>
<td>COMPUTE</td>
<td>JUNE 18 VIEW ONLY</td>
<td>PRIOR YEAR ADJUSTMENT UNTIL 10 AM</td>
<td>Upload FY23 Labor Distribution Elements to HRIS</td>
<td>PAY PERIOD END</td>
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<tr>
<td>ETE INTERFACE 7 AM</td>
<td>Agency: Check ZR630/628636 ETE EXTRACT error reports</td>
<td>ETE Templates Uploaded with FY23 by GAO</td>
<td>COMPUTE</td>
<td>JUNE</td>
<td>Agency Deadline: ETE Templates Due to <a href="mailto:central.payroll@azd.oa.gov">central.payroll@azd.oa.gov</a></td>
<td>ETE CUTOFF 8PM</td>
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<td>LAST CHANCE TO PAY IN FY22 NOON DEADLINE</td>
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<td>Agency: Check ZR630/628636 ETE EXTRACT error reports</td>
<td>JUNE</td>
<td>Agency: XR23.3 SUB ACCOUNT (BFY) UPDATED TO 2023</td>
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<tr>
<td>XP/ZP02 SUB ACCOUNT (BFY) UPDATED TO 2023</td>
<td>4TH OF JULY HOLIDAY</td>
<td>Begin keying for 7/14/22 payday</td>
<td>AGENCY: FIX XR23.3 ERROR 8</td>
<td>AGENCY: FIX XP/ZP02/ZP02 UPDATE ERROR 8</td>
<td>PAY PERIOD BEGIN</td>
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<td>AGENCY: FIX XR23.3 ERROR 8</td>
<td>PAYDAY 14</td>
<td>PAYDAY 14</td>
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<td>AGENCY: FIX XR23.3 ERROR 8</td>
<td>1st Pay Day FY23</td>
<td>PAYDAY 16</td>
<td>PAY PERIOD END</td>
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Note: Paydays are indicated by PAYDAY. Pay periods begin and end as indicated.
Items to Note from Payroll Calendars

- Prior Year Adjustments; deadline is Friday prior to