

# STATEWIDE PAYROLL MEETING CALENDAR YEAR END

NOVEMBER 25, 2019



# Introductions

- Central Payroll
  - Tracey Cappuccio
  - Karen Turner
  - Sam Tekien
  - Lalita Farr
  - Vahn Vo
  - Misty Delgado
  - Everett Rubio
  - Joy Bridges, RASL
- Systems Integration
  - Joanna Greenaway
  - Stephanie Neves
  - Brian Dodge
  - Michael Williams

# Contact Information

- Agency Payroll Resource Contact List
- Employee Resource Contact List
- Agency Contact List
  - Accounting
  - Payroll\*
    - Group Email Address
    - Ideally, we'd like at least two people to ensure coverage in case the primary contact is out of the office
  - Human Resources
- Please send any updates to Central Payroll electronically
  - (602) 364-2215 (fax)
  - [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

Register for Updates

Email Address \*

First Name

Last Name

Agency

NON-STATE EMPLOYEE

EIN

Title

Work Phone Number Extension

E-Newsletter \*

GAO eNewsletter



What code is in the image? \*

Enter the characters shown in the image.

Submit

# Recent Accomplishments

- CORP Defined Contribution Plan – 90 Day Wait [Sept 2019]
  - For any CORP members hired on/after 9/1/2019
- Military Leave Roll [Oct 2019]
  - Processed 10/9/2019
  - Emails sent to agencies
  - Questions: email [Central.Payroll@azdoa.gov](mailto:Central.Payroll@azdoa.gov)
- HRIS Security Upgrade [Sept- Nov 2019]
  - New HRIS Security Policy and updated HRIS Training in TraCorp
  - All Power Users required to have new request forms
  - Prior Security Module decommission date: 12/2/2019

	All Users
LAUA (prior Security Module)	1351
LS (new Security Module)	813
Reduction	(538) (-40%)

# Coming Months

- Health Impact Program Payments (HIP)
  - Processed in conjunction with ADOA-Benefit Services Division (BSD)
  - Plan is to combine on the employee's regular, bi-weekly paycheck during first quarter of 2020
  - Questions can be directed to: 602.542.5008
- New Rates for Wireless Devices used to conduct State business
  - [5560](#) Wireless Devices Used to Conduct State Business
  - Rates effective January 1, 2020
  - Monthly standard reimbursement amount is up to, but not to exceed, forty dollars (\$40) combined for voice, text and data service
- MHC Transition to Azure
  - After posting of 2019 W-2
  - Change in platform from on premise to cloud
  - Will require W-2 reaffirmation of consents for electronic receipt

# State of Arizona Accounting Manual (SAAM)

## Policy Updates

- Section 05 Internal Controls
  - [0525](#) Monthly Financial Review & Verification [Sept 2019]
- Section 50 Travel
  - [5030](#) Hotels, Motels, and Lodging [July 2019]
  - [5045](#) Travel Requests and Authorizations [July 2019]
  - [5050](#) Central Travel Account [June 2019]
  - [5051](#) Employee Travel Card (ETC) Agency Responsibilities [July 2019]
  - [5052](#) Travel Advances [July 2019]
  - [5054](#) Employee Travel Card (ETC) Employee Responsibilities [June 2019]
- Section 55 Payroll and Personnel
  - [5505](#) General Payroll Policies [Aug 2019]
  - [5520](#) Direct Deposits of Payroll [Nov 2019]
  - [5535](#) Employee Relocations [July 2019]
  - [5559](#) Employee Awards (from Other than Employee Recognition Funds) [Aug 2019]
  - [5560](#) Wireless Devices Used to Conduct State Business [Nov 2019]

<https://gao.az.gov/publications/saam>

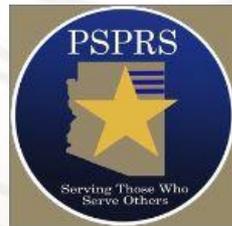
# HRIS Upgrade

- Security Upgrade
  - Forms submission deadline: 9/30/2019
  - Forms processing deadline: 11/30/19
  - Decommission of old Security Application: 12/2/19
- HRIS Security Roles & ETE Proxy Conflicts
  - Email listing to Agencies: estimate: by the week of 12/9/19
  - Agencies requested to take action/respond: by 12/31/19
  - Questions: email [Central.Payroll@azdoa.gov](mailto:Central.Payroll@azdoa.gov)
- HRIS Upgrade testing
  - Unit Testing completed
  - System Integration Testing (SIT) in progress right now
  - User Acceptance Testing (UAT) scheduled February
  - Anticipated go-live: April 1, 2020

# Retirement System Updates



- Arizona State Retirement System 20/20 Tracking
  - Use “ASRS Eligibility Review (code 9) Report” in the Data Warehouse
  - Employee has worked at least 20 weeks of 20 or more hours in each week in a fiscal year, they may be eligible for ASRS membership
    - Notify Agency Human Resources if employee has met 20/20
    - Review pay history for missed contributions
- PSPRS, CORP, EORP Plans
  - Check membership status of new hires/rehires to determine appropriate plan and contribution rate <http://www.psprs.com/>
    - Demographic Data & Employment Status Changes need to be sent to PSPRS



# Changes to ASRS

Compensation Definition: SB1018 modified A.R.S. § 38-711 (7)

- Beginning January 1, 2020, new ASRS members will have a simplified definition of compensation. It will only include gross wages paid to the member, by the employer, for services rendered during the period considered as credited service.
- Exceptions:
  - Mandatory leave payouts will no longer be considered compensation for new ASRS members
  - Non-accountable allowances such as vehicle or phone allowance will also no longer be compensation for new ASRS members
- ASRS compensation for membership dates prior to 1/1/2020 do not change

Alternate Contribution Rate (ACR) for retirees filling a position of a contributing member

- If active member is on paid leave: no ACR due
- If active member is on unpaid leave: ACR due

# Missed ASRS Contributions

- A.R.S. § 38-738 (E) requires that employees provide written permission to take any missed ASRS retirement contributions through the payroll process
- The GAO73A is updated to include a signature line for the employee to authorize the payroll deduction of missed ASRS contributions
- GAO73As for missed ASRS contributions that do not have the signature of the employee will not be processed
- If the employee does not provide the written permission to take the missed ASRS contributions through payroll, report the missed contributions via the Contributions Not Withheld (CNW) process
  - Further details on CNW:  
<https://www.azasrs.gov/content/employer-reference-materials>

# Benefit Premium - OTD

- Benefit Premium Policy <http://benefitoptions.az.gov/benefit-premium>
  - Employees who receive payment for under 30 hours in a pay period, may be responsible for paying the employer premium
  - Qualified Life Event (QLE) includes change in employment status or work schedule (Leave Without Pay). Contact agency benefit liaison for more information
- GAO-73B adjustment of premiums through a one-time deduction when an employee owes the employer premium
  - Submit before payroll compute (Tuesday @ noon) if known to be needed
  - Post-compute adjustments must be submitted by noon on Friday for billing
- Manual Payment adjustments must be submitted before manual payment is created
- After tax deduction codes to charge employee for the employer premium:

DEDUCTION CODE	DEDUCTION DESCRIPTION	DEDUCTION AMOUNT	Deduction Code	Description	Deduction Code	Description
D181	DENTAL-DELTA-ER PORTION	4.58	M181	MEDICAL-AETNA-ER PORTION	D181	DENTAL DELTA-ER PORTION
D006	DELTA DENTAL - ER	(4.58)	M183	MEDICAL-BCBS-ER PORTION	D185	DENTAL-CIGNA-ER PORTION
M187	MEDICAL-UHC-ER PORTION	549.72	M185	MEDICAL-CIGNA-ER PORTION		
M024	UNITED HEALTHCARE EPO - UNES - ER	(549.72)	M187	MEDICAL-UHC-ER PORTION		

# Manual Payment Deduction Cycles

- When to create ZR80 Manual Payment using Deduction Cycle 5:
  - Employee had a \$0 payment (pay code 950 or LWOP) and still has wages due; or
  - Employee received partial pay on compute and still has wages due; or
  - Employee is Deceased
- When to create ZR80 Manual Payment using Deduction Cycles 1, 2, or 3
  - Employee is Dismissed
- Select all pending one-time deductions
  - Must wait until payday Thursday to be able to select one-time deductions
  - If there are low wages, select the earliest dated one-time deduction first

HRIS State of Arizona SOA Manual Payment (ZR80.1)

>> Change Delete ? Inquire Inquire

Company [ ] Bank Code [ ] Payment Number [ ]

Employee [ ] No Calc Deduction Select

Time Records Payment Earnings Deductions

Payment Date [ ] Period End Date [ ]

Deduction Cycle [ 5 ] OneTimeDeDs

Time Accrual Flag [ ]

Hours [ ]

# HRIS Absence Management Reports

- LP31.1 Employee Master Plan
  - Maintains the dates that control absence plan processing and current balance amounts

**Employee Absence Plan Master (LP31.1)**

+ Add    Change    - Delete    < Previous    ? Inquire    > Next    Inquire ▾

Company  STATE OF ARIZONA

Employee

Absence Plan  ANNUAL LEAVE PLAN

Structure Group  LP ANN UNCOVERED FT\_6.47

Position

Dates    Balances    Carryover    GL Accounts    Override Tables    Payroll

Master Entry

Accrual End

Master End

Master Override

Service Begin

Accrual From

Accrual Start

Allotment Begin

Allotment Point

Eligibility Begin

Limit Reset Point

Hours Last Period End

Transfer Flag

Accrual Last

Allotment Last

Eligibility Last

Carryover Last

Earnings Last Period End

# HRIS Absence Management Reports

- LP231 - Employee Plan Master Listing
  - Prints a list of selected employee master record dates and related enrollment and/or length of service records
  - Loading the output into a spreadsheet allows quick identification of date errors

**Employee Plan Master Listing (LP231)**

>> + Add   ✎ Change   - Delete   ◀ Previous   ? Inquire   ▶ Next   | Inquire -

Submit   Reports   Job Sched   Print Mgr

Job Name: LP231ANN

Job Description: All Annual Groups 11/20/19

User Name: adturnk   Karen Turner

Data Area/ID: PROD

Parameters

Selection   Data

Company	1	STATE OF ARIZONA		
Plan Category				
Absence Plan	ANNUAL	ANNUAL LEAVE PLAN		
Structure Group				
Excluded End Dates				
Processing Group				
Process Level				
Employee Group				
Employee				

# HRIS Absence Management Reports

- LP231 parameter examples



The screenshot shows a 'Parameters' window with two tabs: 'Selection' and 'Data'. The 'Data' tab is active, displaying a list of parameters with dropdown menus and corresponding values. The parameters are:

Parameter Name	Value	Description
Report Option	1	All master data
Enrollment Detail	1	Exclude
Length of Service Hours	1	Exclude
Report Sequence	5	Employee
Employee Sequence	2	Numeric

- For more detailed instructions:  
<https://hr.az.gov/content/securityrolesandtraining>
  - Agency Absence Plan Forms-Reports-Knowledge Base
  - Absence Plan Master Forms

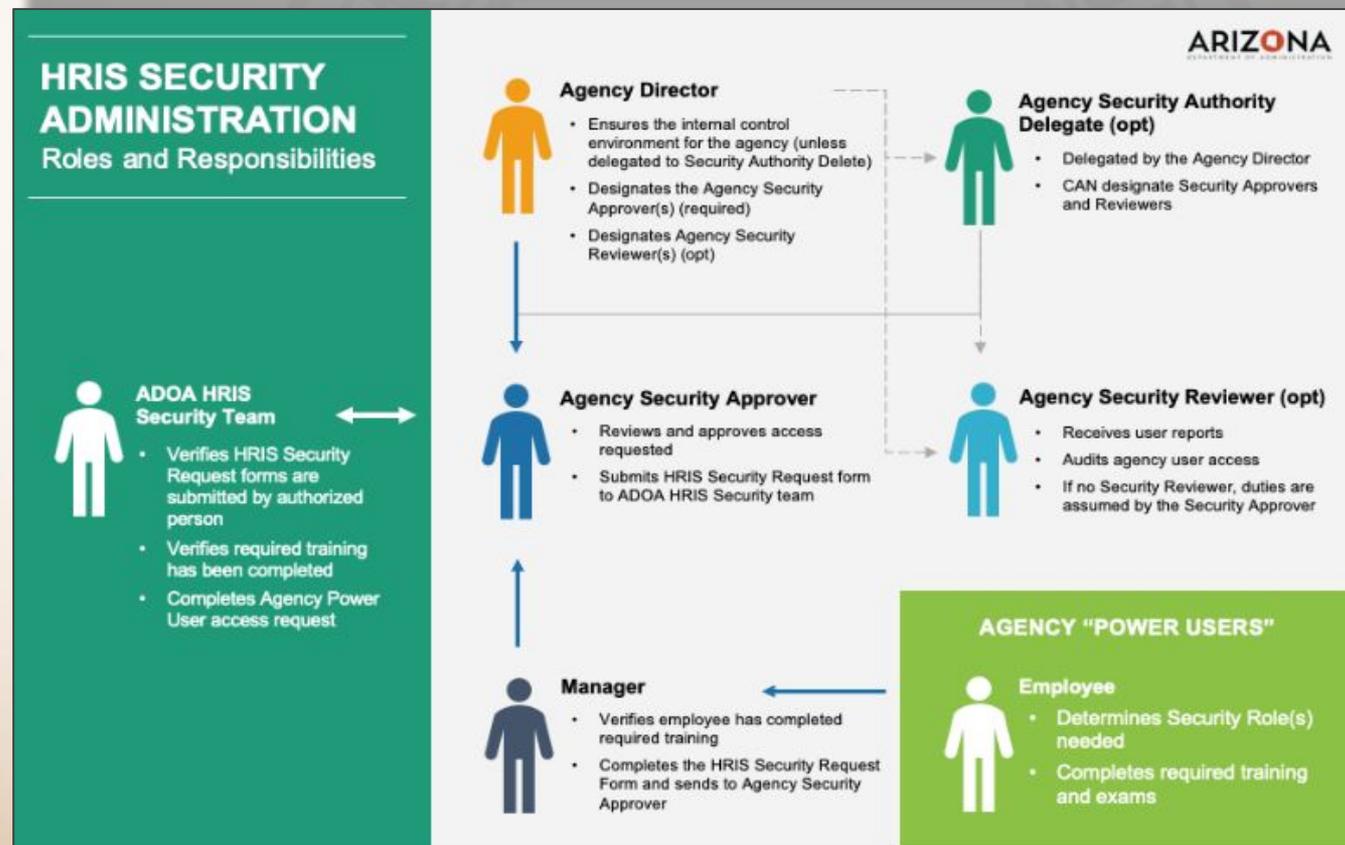
# HRIS Absence Management Reports

- Master Entry can equal the Adjusted Date of Hire (ADOH) or the effective date of the group
  - Master entry dates should be chronological
  - **ISSUE:** Multiple groups for the same plan
- Service Begin must be the employee's ADOH
- Eligibility Begin date can equal ADOH or be a pay period end (PPE) prior to Service Begin
- Accrual From and Accrual Start dates should be the PPE date prior to the ADOH
  - **ISSUE:** PPE date is imperative for Comp and Holiday plans to be able to apply earned hours timely

# HRIS Security

- Upgrade to security platform required for HRIS v10
- **All** Power User roles replaced with new roles to align with industry standards and ensure separation of duties
- HRIS Security Policy created & HRIS Security Request Form updated

<https://hr.az.gov/HRIS-Forms>



# HRIS Security

- 7 Payroll roles consolidated to 1 role, Agency Payroll Specialist
- Additional Roles need to be assigned to view:
  - Absence Plans and Donated Leave: Agency Absence Management role
  - Labor Distribution updates: Agency Labor Distribution Specialist role
  - Benefit Plan details: Agency Benefits View role

NEW ROLE	REPLACES	KEY CHANGES
Agency Payroll Specialist	-Payroll Approver -Payroll Initiator -Timekeeper Specialist -HR/PR Tax Initiator -ETE Batch Maintenance -ETE Account Template Specialist -Vehicle Template Specialist	<b>NEW:</b> - Standard Payroll Forms & Reports *Deduction Audit (Tax Changes) *Direct Deposit Audit - ETE Forms & Reports - Data Warehouse Payroll Reports <b>REMOVED:</b> -Social Security Number -Donated Leave -Absence Plan Balances
Agency Labor Distribution Specialist	-Labor Distribution Specialist	<b>NEW:</b> View to Labor Distribution Elements GL, AC forms
Agency Reimbursement Specialist	-Employee RMB Specialist -Employee RMB Approver	<b>NEW:</b> Re-Assign Batch to Power User ID.

# HRIS Security

NEW ROLE	REPLACES	DIFFERENCES/CHANGES
Agency ETE Coordinator	ETE Personnel Coordinator	New Reports for Audit, Proxy Tracking, Comments
Agency ETE Proxy Administrator	ETE Security Administrator	No Change
Agency ETE Proxy*	ETE Proxy	Agency HR Generalists can't have Approval Access.

## \*AGENCY ETE PROXY:

- Use the HRIS Security ETE Proxy Request form to request ETE Proxy access
  - Form routed to your Agency Security Approver
  - Agency Security Approver, authorizes form and sends to Agency ETE Proxy Administrator for entry in HRIS (or [Central.Payroll@azdoa.gov](mailto:Central.Payroll@azdoa.gov))
- HRIS Power User with the role Agency HR Generalist can only be assigned as an ETE Proxy with **NO** approval access
  - This means they can only review, enter, submit and reject ETE time cards

# HRIS Security Roles Training Updated

<https://hr.az.gov/content/securityrolesandtraining>

- Description of Role
- Training Course ID
- Forms/Reports List
- Training Guides by Subject
  
- GAO Agency Payroll Guide (APG) updated with new training links mid-December

<https://gao.az.gov/payroll-rasl/payroll-guide>

## AGENCY PAYROLL SPECIALIST

TraCorp Course ID: HRISPAYROLLSPEC

The resources provided below are for quick reference only. To gain access to a role, users must complete the required training for that role in TraCorp. To locate the proper training and exam for a role search the course id provided above.

This role provides the ability to add, change and delete time records in HRIS, reassign payroll batches and create ongoing supplemental pay (stipends). This role can create manual warrant payments outside the payroll cycle, add & change deductions at the employee level and maintain (add/change) employee tax elections and direct deposit accounts. Users will get automatic access to Agency Payroll folder in Data Warehouse.

### Security Role Attributes

- Forms and Reports Available - Agency Payroll Specialist

### Lesson Plans

- Deductions
- Direct Deposit

# Direct Deposit Self Service

- Employees can Add, Change or Stop Direct Deposit accounts in Y.E.S. effective Dec 2nd
  - Maximum of 5 active accounts
  - Accounts can be set to a fixed amount and various percentages
  - Accounts will go through the pre-notification process
  - Y.E.S. entries can be made by employee 24/7

### Add Account

\*Required fields are indicated.

Bank\*  Effective Date\* 11/20/2019   
MM/DD/YYYY

Description\*  Account Type\*  Checking  Savings

MONICA GELLAR Flat Amount  or  
105 CEDARHURST AVE Percent of Net   
PHOENIX, AZ 85007

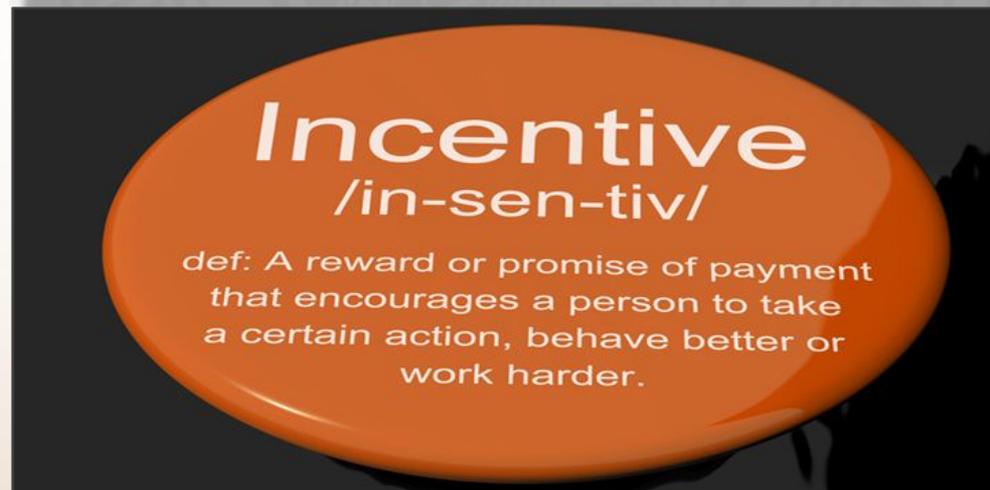
Deposit \_\_\_\_\_ AMOUNT

Routing Number\*  Account Number\*

- Entries made by agencies on XR12.1 and entries made in Y.E.S. trigger Email Notifications to Agency Payroll, Employee Work Email and Employee Personal Email

# Incentive Strategies

- Please coordinate with Agency Leadership as soon as possible to ensure bonuses can be paid as intended
  - Contact GAO Central Payroll to coordinate timing
- No bonuses should be scheduled for December 19, 2019 payroll
  - If any errors occur, there is little time to correct in 2019
  - Central Payroll recommends any bonuses approved, to be paid before the end of the calendar year, be scheduled no later than the December 5th payroll



# 2020 W-4 Employee's Withholding Certificate

- In 2020, the Internal Revenue Service (IRS) will release a new W-4
- Form W-4 will now be “Employee’s Withholding Certificate” replacing the “Employee’s Withholding Allowance Certificate”
- Current employees can keep their previous Form W-4 elections (Forms 2019 and prior)
- Any changes made in 2020 must use the new form
  - February: 2019 exemptions expire
- New employees hired beginning January 1st must use the new form

Form <b>W-4</b>		Employee's Withholding Certificate		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. ▶ Give Form W-4 to your employer. ▶ Your withholding is subject to review by the IRS.		<b>2020</b>
<b>Step 1:</b> Enter Personal Information	(a) First name and middle initial	Last name	(b) Social security number	
	Address		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov.	
	City or town, state, and ZIP code			
	<input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)			
Complete Steps 2 through 4 ONLY if they apply to you. To see if you are exempt from withholding or if you have concerns about your privacy, see page 2. Everyone must complete Step 5. See instructions on page 2.				
<b>Step 2:</b> Multiple Jobs or Spouse Works	Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following.			
	(a) Use the estimator at <a href="http://www.irs.gov/W4App">www.irs.gov/W4App</a> for most accurate withholding; or			
	(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or			
	(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. <input type="checkbox"/>			
	<b>CAUTION:</b> If you have privacy concerns, choose (a) or (b). If you and/or your spouse have income from self-employment, including as an independent contractor, choose (a).			
Complete Steps 3 through 4(b) on Form W-4 for only one of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3 through 4(b) on the Form W-4 for the highest paying job.)				
<b>Step 3:</b> Claim Dependents	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):			
	Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$			
	Multiply the number of other dependents by \$500 . . . . ▶ \$			
	Add the amounts above and enter the total here . . . . .	3	\$	
<b>Step 4 (optional):</b> Other Adjustments	(a) <b>Other income.</b> If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income. You should not include income from any jobs . . . . .		4(a)	\$
	(b) <b>Deductions.</b> If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . . . .		4(b)	\$
	(c) <b>Extra withholding.</b> Enter any additional tax you want withheld each pay period . . . . .		4(c)	\$
<b>Step 5:</b> Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.			
	Employee's signature (This form is not valid unless you sign it.)		Date	
<b>Employers Only</b>	Employer's name and address	First date of employment	Employer identification number (EIN)	
For Privacy Act and Paperwork Reduction Act Notice, see page 3. <span style="float: right;">Cat. No. 10220Q Form <b>W-4</b> (2020)</span>				

# 2020 W-4 Employee's Withholding Certificate

## Updated Form W-4 will have 5 steps:

1. Enter Personal Information **(Required)**
2. Multiple Jobs or Spouse Works **(Optional)**
3. Claim Dependents **(Optional)**
4. Other Adjustments **(Optional)**
5. Sign and Date **(Required)**

## Step 1 Required:

<b>Step 1: Enter Personal Information</b>	(a) First name and middle initial	Last name	(b) Social security number
	Address		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to <a href="http://www.ssa.gov">www.ssa.gov</a> .
	City or town, state, and ZIP code		
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		

## Step 5 Required:

<b>Step 5: Sign Here</b>	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.		
	Employee's signature (This form is not valid unless you sign it.)		Date
<b>Employers Only</b>	Employer's name and address	First date of employment	Employer identification number (EIN)

# 2020 W-4 Employee's Withholding Certificate

Steps 2 - 4 are Optional:

<b>Step 2:</b> <b>Multiple Jobs or Spouse Works</b>	<p>Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.</p> <p>Do <b>only one</b> of the following.</p> <p>(a) Use the estimator at <a href="http://www.irs.gov/W4App">www.irs.gov/W4App</a> for most accurate withholding; or</p> <p>(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or</p> <p>(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld . . . . . <input type="checkbox"/></p> <p><b>CAUTION:</b> If you have privacy concerns, choose (a) or (b). If you and/or your spouse have income from self-employment, including as an independent contractor, choose (a).</p>								
<p>Complete Steps 3 through 4(b) on Form W-4 for only one of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3 through 4(b) on the Form W-4 for the highest paying job.)</p>									
<b>Step 3:</b> <b>Claim Dependents</b>	<p>If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):</p> <p>Multiply the number of qualifying children under age 17 by \$2,000 ► \$ <input type="text"/></p> <p>Multiply the number of other dependents by \$500 . . . . . ► \$ <input type="text"/></p> <p>Add the amounts above and enter the total here . . . . .</p>								
<b>Step 4 (optional):</b> <b>Other Adjustments</b>	<p>(a) <b>Other income.</b> If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income. You should not include income from any jobs . . . . .</p> <p>(b) <b>Deductions.</b> If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . . . .</p> <p>(c) <b>Extra withholding.</b> Enter any additional tax you want withheld each pay period . . . . .</p>								
	<table border="1"> <tr> <td data-bbox="1503 886 1541 911">3</td> <td data-bbox="1561 886 1779 911">\$ <input type="text"/></td> </tr> <tr> <td data-bbox="1503 989 1541 1013">4(a)</td> <td data-bbox="1561 989 1779 1013">\$ <input type="text"/></td> </tr> <tr> <td data-bbox="1503 1125 1541 1149">4(b)</td> <td data-bbox="1561 1125 1779 1149">\$ <input type="text"/></td> </tr> <tr> <td data-bbox="1503 1189 1541 1213">4(c)</td> <td data-bbox="1561 1189 1779 1213">\$ <input type="text"/></td> </tr> </table>	3	\$ <input type="text"/>	4(a)	\$ <input type="text"/>	4(b)	\$ <input type="text"/>	4(c)	\$ <input type="text"/>
3	\$ <input type="text"/>								
4(a)	\$ <input type="text"/>								
4(b)	\$ <input type="text"/>								
4(c)	\$ <input type="text"/>								

# 2020 W-4 Employee's Withholding Certificate

\*\*\*The State, as an employer, cannot recommend or advise employees regarding their tax withholding elections\*\*\*

The IRS has made the following resources available:

- Draft Form W-4 & Instructions
  - <https://www.irs.gov/pub/irs-dft/fw4--dft.pdf>
- IRS 2020 W-4 FAQ
  - <https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4>
- IRS Tax Withholding Estimator
  - <https://www.irs.gov/individuals/tax-withholding-estimator>
- HRIS updates have not yet been made available to GAO for testing
  - System changes will be communicated to agencies before the updates are implemented



# Annual Leave Roll Back

- For the payday of January 16, 2020, an employee's annual leave balance will be adjusted to show the following:
  - Deduct: Annual leave used during the 12/28/2019 to 1/10/2020 pay period
  - Forfeit: Annual leave hours in excess of the maximum
    - (240 hours for covered employees, 320 hours for uncovered employees)
  - Add: Annual leave accrued during the 12/28/2019 to 1/10/2020 pay period
- Last day to use Excess Leave before roll: 1/10/2020
- Holiday leave balances will not be included in the calculation of determining excess leave
- Family Sick leave balances will be reset to 40 hours automatically by Absence Management 1/1/2020



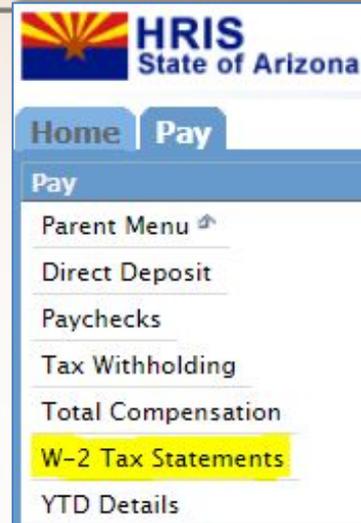
# Year End Payments



- December 19, 2019: Last regular pay date in 2019
- Handwrites (Manual Warrants)
  - Issued December 26th & 30th will be mailed directly to employee from the GAO to ensure constructive receipt for W-2 purposes
  - Final Day for Handwrites – December 30th at Noon
  - Handwrites will not be processed on December 27th & December 31st
- DEADLINES for Payment Reversals
  - December 24th: Deadline to submit GAO-70A Overpayments and GAO-70 Warrant Cancellation to be processed with Federal and State tax credits
  - December 26th and after: GAO-70A Overpayments cannot adjust Federal or State taxes since they have already been remitted to tax authorities

# W-2s for 2019

- Schedule for Availability of 2019 W-2s
  - Dec 31st – Deadline for updating mailing address in Y.E.S.
  - Jan 3rd – Target online availability to those who consent
  - Jan 13th – Consent deadline to be removed from mailing
  - Jan 30th – Target mail date for those not consenting
  - Jan 31st – Available online to everyone
  - Feb 1st – Requests open for additional paper copies
- Encourage employees to consent to receive W-2 electronically
  - Visit <http://yes.az.gov>
  - Click “Log in to YES”, enter YES username (EIN) and password, click “Pay”
  - Click “W-2 Tax Statements”, enter the YES username (EIN) and password,
    - If you have already authorized, you will see a green bar on the left menu with “Authorized”
    - If you are not already authorized, click “Authorize Electronic W-2”, then click “Agree”
- Obtain W-2s and any needed duplicates from Y.E.S.
  - Central Payroll will still provide duplicate paper W-2s, but will not accept duplicate requests until February 1st, 2020
  - 2006 – 2018 W-2s will continue to be available online
  - Complete GAO – W2 Form and email to [Central.Payroll@azdoa.gov](mailto:Central.Payroll@azdoa.gov)



# Social Security and Medicare Deductions

- Social Security:
  - Effective January 1, 2020, the maximum amount of earnings subject to Social Security will increase to \$137,700
  - Both employee and employer tax scheduled to remain at 6.2%



- Medicare:
  - Still effective since January 1, 2013, The Patient Protection and Affordable Care Act includes a provision that imposes an additional 0.9% Medicare withholding on taxpayers receiving wages from their employer in excess of \$200,000 per year
  - Medicare Tax on wages up to \$200,000 will be 1.45%
  - Medicare Tax on wages in excess of \$200,000 will be 2.35%

# A-4s and W-4s

- Employees can change non-exempt A-4 and W-4 elections anytime thru Y.E.S.
  - Filing “exempt” for Federal and State withholding must be done with paper
  - Employees that file “Exempt” cannot also ask to have an additional amount deducted This form would be invalid
- The 2019 DOR Form A-4 which indicated an employee is “Exempt” from paying State income taxes expires on **December 31, 2019**
  - Employees **must** file a new 2020 DOR Form A-4 to claim exempt status for the 2020 calendar year
  - If the employee does not provide a new Form A-4 by 12/31/19, agencies must change the tax status on PR14 to withhold tax at the default 2.7% (Formula 13)
  - Forms will be posted to [www.azdor.gov](http://www.azdor.gov)
- The 2019 IRS Form W-4 which indicated an employee is “Exempt” from paying Federal income taxes expires on **February 17, 2020**, Employees wishing to claim Federal exempt, **must** file a new 2020 IRS Form W-4 to claim exempt status for the 2020 calendar year
  - If the employee who previously claimed exempt does not provide a 2020 Form W-4 by 2/17/20, agencies must change the tax status on PR13 to Single on 2/18/20
  - Forms will be posted to [www.irs.gov](http://www.irs.gov)

# Data Warehouse Tax Reports

- Invalid Tax Election PR13: Exempt with Additional Amount
  - Invalid tax election combination
  - **Requires immediate action**
- Invalid Tax Setup: Code B
  - The PR13 Tax Exempt flag currently has an invalid value of “B”
  - **Requires immediate action**
- Invalid Tax Election PR14: Exempt with Additional Amount
  - Invalid tax election combination
  - **Requires immediate action**
- Federal Tax Exempt
  - Listing of all employees with PR13 Tax Exm Flag indicated “Y”
  - **Requires action annually**
- State Tax Exempt
  - Listing of all employees with PR14 Arizona Formula 8
  - **Requires action annually**

# HRIS Critical Dates - November - December 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
17 NOVEMBER	18	19 <b>COMPUTE</b>	20	21 <b>PAYDAY 24</b>	22	23
24	25	26	27	28 <b>THANKSGIVING HOLIDAY</b>	29 <b>PAY PERIOD END</b>	30 <b>PAY PERIOD BEGIN</b>
1 DECEMBER	2	3 <b>COMPUTE</b>	4	5 <b>PAYDAY 25</b>	6	7
8	9 <b>Recommend Agency run Data Warehouse Reports of 2019 Tax Exempt EEs.</b>	10	11	12	13	14 <b>PAY PERIOD BEGIN</b>
15	16	17 <b>COMPUTE</b>	18	19 <b>PAYDAY 26</b>	20	21
22	23	24 <b>Deadline to submit Overpays with adjustments to Federal/State tax</b>	25 <b>CHRISTMAS HOLIDAY</b>	26	27	28 <b>PAY PERIOD BEGIN</b>
Overpays for years 2019 and prior cannot refund Federal/State withholding taxes						
			<b>NO HANDWRITES</b>	<b>HANDWRITES MAILED</b>	<b>System Updates for CYE</b>	
					<b>HRIS SECURITY ON FOR ALL</b>	
					<b>PAY PERIOD END</b>	
					<b>NO HANDWRITES</b>	<b>NO HANDWRITES</b>
29	30	31 <b>COMPUTE</b>	1 <b>JANUARY</b>	2 <b>PAYDAY 1</b>	3	4
Overpays for years 2019 and prior cannot refund Federal/State withholding taxes						
<b>Last chance to pay in 2019 Noon deadline for handwrites</b>		<b>Deadline for W2 address changes via YES</b>	<b>NEW YEARS HOLIDAY</b>			
		<b>If an EE who was State tax exempt in 2019 didn't file A-4 for 2020 by 12/31/19, set to 2.7% Default</b>	<b>HRIS SECURITY ON FOR ALL</b>			
			<b>Family Sick Leave Reset</b>			
<b>NO HANDWRITES</b>	<b>HANDWRITES MAILED</b>	<b>NO HANDWRITES</b>	<b>NO HANDWRITES</b>			

# HRIS Critical Dates - January - February 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29 DECEMBER	30 Last chance to pay in 2019 Noon deadline for handwrites	31 COMPUTE Deadline for W2 address changes via YES If an EE who was State tax exempt in 2019 didn't file A-4 for 2020 by 12/31/19, set to 2.7% Default	1 JANUARY NEW YEARS HOLIDAY HRIS SECURITY ON FOR ALL Family Sick Leave Reset	2 PAYDAY 1	3 Target Date: 2019 W-2's Online for those consent. Notification e-mails will be sent as required by IRS	4
NO HANDWRITES	HANDWRITES MAILED	NO HANDWRITES	NO HANDWRITES			
5	6	7	8 Prior Year Adjustments System unavailbe until 10 am; YES available	9	10 Last day to use Excess Annual Leave before Roll PAY PERIOD END	11 PAY PERIOD BEGIN
12	13 Last day to consent to <b>NOL</b> receive W-2 by mail	14 COMPUTE ANNUAL LEAVE ROLL	15	16 PAYDAY 2	17	18
19	20 MARTIN LUTHER KING JR. HOLIDAY	21	22	23	24 PAY PERIOD END	25 PAY PERIOD BEGIN
26	27	28 COMPUTE	29	30 PAYDAY 3 Target Date: W-2s mailed to address as of 1/11/20	31 W-2s online for ALL Employees wanting duplicate W-2s should be directed to YES	1 FEBRUARY Form GAO - W-2 for requesting paper duplicates accepted
2	3	4	5	6	7 PAY PERIOD END	8 PAY PERIOD BEGIN
9	10	11 COMPUTE	12	13 PAYDAY 4	14	15
16	17 PRESIDENT'S DAY HOLIDAY	18 If an EE who was Federal Tax exempt in 2019 didn't file W-4 for 2020 by 2/18/20, set to Single	19	20	24 PAY PERIOD END	25 PAY PERIOD BEGIN

# The End

any questions



Next Meeting:

Fiscal Year End  
Statewide Payroll Meeting  
Monday, May 11, 2020  
ADOA Conference Room 300

