

## Frequently Asked Questions – Pay Statement Changes

**Q: How will UC Flex affect pay statements and paychecks?**

**A:** All employees will continue to receive accurate and timely paychecks, direct deposits and pay statements. The UC Flex team is conducting detailed and rigorous parallel payroll testing to confirm that payroll data is accurate **prior** to go-live. Due to new benefits and tax calculations, check amounts will be accurate, but they may differ, compared to current amounts.

On July 11, bi-weekly employees will receive the first paychecks generated by the UC Flex system, with monthly employees receiving their first UC Flex paychecks on July 31. Employees will see some differences, including:

- All UC pay statements will have a new format. Statements will provide new useful information, such as year-to-date amounts for taxes, retirement amounts and some earnings, as well as itemized retroactive calculations, and pay rate information for hourly employees. Additionally, employees who have earned leave time that is not available to be used while they are on probation will see these “provisional” leave balances itemized on their pay statement.
- To safeguard employees’ personal information, social security numbers will not be printed on checks or statements.
- All students will be paid bi-weekly. This will be a significant change for graduate students who are currently paid monthly.

Keep a lookout for a document previewing the new pay statements, which will be mailed to all UC employees before the first paychecks are distributed on July 11.

**Q: Will the amount of my paycheck change?**

**A:** The implementation of UC Flex HR will not affect employees’ hourly pay rates or annual salaries. Similarly, the new system will not affect employee’ benefits coverage or the cost of benefits paid by UC. However, your pay amount may vary from your current take-home pay amount because of changes in the way the new UC Flex system makes calculations, compared to the current system. For example, federal and state tax withholding may differ due to differences in the new system’s calculation methods. Also, the new system stores more accurate benefits rates.

Nine-month faculty who are eligible for sick time may notice a different pay amount compared to HRMS, when their pay is pro-rated for vacation and sick time. This is because pro-rating for faculty will be based on the academic calendar, rather than the standard number of working days per month.

Employees with multiple assignments who receive life insurance and Long Term Disability (LTD) may notice a difference in paycheck amounts. Today in HRMS, life insurance and LTD calculations for employees who have multiple assignments are based on the employee’s main assignment only. In UC Flex, benefit calculations are based on the employee’s combined assignments. The impact is that benefit deductions for employees with multiple appointments will increase, and employees will see this difference in their pay statements.

Employees with life insurance will see increased costs during the year if their age bracket changes. In our current system, the increase is based on the employee’s age on January 1. In the new system, increases will occur in the period following the employee’s birthday if the increased age put the employee in a new age bracket for life insurance coverage.

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If you have questions when you receive your pay statement send an e-mail to [UCFlexPay@uc.edu](mailto:UCFlexPay@uc.edu) or contact the HR Service Center at (513) 556-2452. You can find additional information on the UC Flex web site at [www.uc.edu/ucflex](http://www.uc.edu/ucflex).

**Q: Why don't I see year-to-date values for all my earnings and deductions?**

**A:** Only the year-to-date values that are required for year-end processing of W-2 Forms and Total Compensation Statements were converted from the legacy HRMS system. This means that gross year-to-date earnings were not converted, as well as many deduction types including parking, life insurance, and benefits. Year-to-date values that were not converted are maintained as history records in HRMS. For these unconverted values, your pay statement will display cumulative values beginning July 2006 rather than year-to-date values. Beginning January 2007, you will see year-to-date values for each earning and deduction type on your pay statement.

**Q: Why does my marital status for state tax withholding display incorrectly on my pay statement?**

**A:** If you noticed that your marital status appears incorrectly on your pay statement for state tax withholding, do not be concerned. When pay statements are printed, the system displays, "Single" as the default marital status for state tax, regardless of the employee's actual marital status or number of dependents. State tax calculations are not based on the marital status or number of dependents. They are based on the number of exemptions you have indicated on your Form W-4 State Tax Withholding.

**Q: The benefits contributions and benefits deductions on my new statement show different amounts than my previous pay statement. Why is this?**

**A:** Employee deductions for medical and dental coverage, as well as UC contributions for medical and dental may appear higher on your new statement. However, the differences between the employee's deduction and UC's contribution will be the same in both systems. This is due to the way that costs were stored in the previous system. For example: assume an employee in the old system had a medical deduction of \$500 and medical employer contribution of \$450. In the UC Flex system, assume this same employee's medical deduction is \$560 and the medical employer contribution is \$510. The difference for this employee in both systems is \$50.

**Q: Can you explain how earnings on my pay statement are calculated?**

**A:** The Paycheck Summary section on your pay statement displays your earnings. Earnings are calculated as the sum of regular earnings, employer benefit contributions and employer benefit credits. Group Term Life Insurance, which appears on your pay statement as GTLI Taxable, is not included in your earnings calculation because it is imputed income. Imputed income is the value of group term life insurance coverage provided by the University in excess of \$50,000. GTLI is taxable to the employee as a rate based on the employee's age; it is not included in earnings.

**Q: I noticed that my life insurance cost increased. What caused this?**

**A:** Employees with life insurance will see increased costs during the year, if their age bracket changes. In our legacy HRMS system, the increase was based on the employee's age on January 1. In the new system, increases will occur in the pay period following the employee's birthday if the increased age puts the employee in a new age bracket for life insurance coverage.

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**Q: Are leave balances duplicated for employees with multiple assignments?**

**A:** No. For employees who have multiple assignments, you may notice that your leave balances appear to be duplicated on your pay statement for each assignment. This is due to an error which causes your leave balance to be printed on your pay statement for each assignment. The error is being corrected. Your actual leave balances are not duplicated in the UC Flex system.

**Q: I've heard that you can receive two pay statements at the same time. Why is that?**

**A:** The new UC Flex pay statement has an updated format that uses static windows to organize information in an easy-to-read format. Typically, all the information for a pay statement will fit on a single page. However, some employees may occasionally have a pay statement that is too long to be printed on a single page. This may occur if there are several additional line items for retroactive pay calculations. If this occurs, you will receive two separate sealed statements. If you receive a printed paycheck, rather than direct deposit, the check portion of the second statement will be void. Open both mailings and review them together to see a complete picture of your statement.

**Q: How will graduate assistants be affected by UC Flex?**

**A:** When UC Flex is implemented in June, all students will be paid bi-weekly, or every two weeks. This means that graduate assistants who are currently paid monthly will receive bi-weekly paychecks. Graduate assistants' total pay is based on their departments' offer letter, and the implementation of UC Flex will not affect their total pay. Also, the status of graduate assistants is not changing – which means they continue to be paid a salary, not an hourly rate. The only changes graduate assistants will see is their pay frequency will change from monthly to bi-weekly, and the amount of pay included on each check will reflect two weeks of pay rather than one month.

**Q: Who do I contact if I have questions about my new paycheck or pay statement?**

**A:** If you have questions when you receive your pay statement send an e-mail to [UCFlexPay@uc.edu](mailto:UCFlexPay@uc.edu). If you need immediate assistance contact the HR Service Center at (513) 556-2452.