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THOMAS B. STEPHENS
SECRETARY

MEMORANDUM

TO: HR Administrators

FROM: Mary Elizabeth Bailey, Commissioner
Department of Human Resources Administrations

DATE: April 29, 2016

RE: Follow-up to Personnel Memo 16-18 Payroll Deferral

As a follow-up to the Personnel Memo you received on behalf of Secretary Stephens, I wanted to take a moment to inform you of the HR details pertaining to the June 30th payroll deferral.

EMPLOYEE NOTIFICATIONS:
The Personnel Cabinet will send a letter accompanied by an FAQ document, via email blast, to all employees who are listed in global, on Monday, May 2, 2016.

That same information will also be available on the Personnel Cabinet's website (Benefits/Pay/Payroll Deferral) for continued use.

> **Agencies should be prepared to**: Ensure that employees who do not have email access and/or are not listed in global, receive a copy of that email/letter and FAQ in whatever manner the agency typically uses to disseminate information.
>
> Agencies should also continue notifying new employees of this annual event through their onboarding process, especially those hired after the email notification is released and before the actual 2016 deferral. That notice may be provided from the content available on the Personnel Cabinet's website, in addition to the Employee Handbook.
>
> The attached *AgencyCertForm- Deferral Notice Distribution* document should be completed and returned by **May 16th** to certify that these tasks have been completed.

In addition, the Personnel Cabinet will add information on the rotator bar on the Personnel Cabinet website, taking employees directly to the deferral information (under Benefits/Pay/Payroll Deferral) and will also place reminders on the welcome screen of KHRIS ESS from 5/30/16 through 6/30/16.

In all of these communications, we ask that any questions be relayed to agency HR Administrators. Most questions can be answered by referring to the FAQ, as we have gone to great lengths to predetermine questions that may be prompted and have sought out answers from the appropriate subject matter experts.

Agencies should be prepared to: Answer employee questions using the FAQ. If you are presented with questions you are unable to answer, please submit a Business Request and we will work to get you an answer as quickly as possible.

The direct deposit policy should prove to be a huge advantage to employees who are enrolled. Access to their funds will be faster (based on their bank/credit union's posting– 1am for the Payroll Card) and the need to pick-up their check and go to the bank will be eliminated.

Agencies should be prepared to: Remind those few employees, who are exempt from the policy and remain set-up to receive a paper check, of the advantage of direct deposit as it specifically relates to the Payroll Deferral. Should they choose to enroll in direct deposit for this purpose, please direct them to do so by June 15th.

OTHER NOTIFICATIONS:
The Personnel Cabinet will also send notification to the following:

- Financial Institutions: We will work with the KY Bankers Association and the KY League of Credit Unions to provide notification of the deferral to all Kentucky institutions with respect to automatic deductions, although employees are still responsible for working with their bank/credit union to adjust their scheduled payments. Additionally, they are being informed that checks are not to be cashed prior to July 1st. We will also be contacting the out of state banks and credit unions receiving employee direct deposits to notify them of the same.
- 3rd Party Vendors: Most will not see a difference at all as payment remittance can vary by a day or two on any given pay date. All will be given 60 days' notice of the delay.

TIME AND PAYROLL:
The June and July KHRIS Operations Calendars are now available on our website.

June: As a result of payroll processing required for the deferral, the window to key time for the 6/1-6/15 pay period is slightly less than usual.

July: Due to the July 4th holiday, the window to key time for the 6/16-6/30 is also slightly less.

Reports: Be aware that despite the deferral to 07/01/16, all KHRIS reports (including salary statements) will reflect a 06/30/16 pay date.

We hope this information will help ease everyone into this upcoming delay and make the event go as smoothly as possible. If you have any additional questions and or concerns, please do not hesitate to ask.

NOTICE: This deferral does NOT include County Fees (Sheriffs and Clerks Offices).
A separate payroll will run as follows:

Pre-Payroll Run on Thursday, June 23, 2016 from 8:00am – 2:00pm
Final- Payroll Run on Friday, June 24, 2016 from 1:00pm- 4:00pm