



JULY 17, 2002

Payroll Letter 824
Supersedes Payroll Letter 806

TO: Human Resource Administrators, Payroll Officers, Personnel Officers,
Labor Relations Officers and Fiscal Officers of all Departments,
Institutions, Boards and Commissions

FROM: Jerry A. Miller, Acting State Payroll Administrator

SUBJECT: Fringe Payroll Costs, Fiscal Year 2003

Payrolls issued for employees of the State of Ohio have certain payroll related charges added. These charges are pro-rated to the same accounting codes as the employee's salary. The charges effective for fiscal year 2003 are listed below. Changes from fiscal year 2002 charges are in bold. In addition, I have attached a listing of payroll objects of expense.

- 020-25 Medicare Part B Reimbursement is added to the first payroll processed each month for persons who are over age 65 and who have supplied proof of eligibility. This charge is **\$54.00** per month for eligible employees.
- 035-01 Employer's share of Public Employees' Retirement. This charge is calculated at 13.31% of the payroll for employees subject to PERS.
- 035-02 Employer's share of State Teachers' Retirement. This charge is calculated at 14.00% of the payroll for employees subject to STRS.
- 035-03 Employer's share of Highway Patrol Retirement. This charge is calculated at 23.50% of the payroll for employees who are subject to HPRS.
- 035-04 Workers' Compensation Insurance Premium. The rates are based on a separate schedule issued by the Bureau of Workers' Compensation. See Payroll Letter **823** indicating the current Workers' Compensation Rates.
- 035-05 State Health Insurance Premiums. This charge is the state's share of deductions, in accordance with Sec. 124.82 of the Ohio Revised Code. See Payroll Letter **822** indicating current health insurance codes and rates.

035-06 Social Security Tax. This charge is calculated at 6.20% of the payroll for employees who are exempt from the state retirement systems and therefore subject to FICA.

035-07 Life Insurance. This charge is made to pay premiums for life insurance provided under Sec 124.81 of the Revised Code. Charges are calculated in the pay period which includes the first day of each month. An employee's life insurance coverage is based on their annual salary. This charge no longer applies to employees covered under the Benefits Trust. A **\$50.00** charge per eligible employee is a negotiated rate to include Dental, Vision, and Life Insurance. The **\$50.00** is reflected in object 035-08.

The charge for Exempt employees eligible for life insurance will have a cost for each life insurance premium of **\$.159** per thousand dollars of coverage.

035-08 Dental Care Insurance. This charge is made to pay premiums for dental care insurance provided under Sec 124.82 of the Revised Code. For employees covered under the Benefits Trust, a **\$50.00** charge per eligible employee will be assessed. This will cover costs for Dental, Vision and Life Insurance. For eligible employees the current rates are:

	Exempt Employees Only	
	Single	Family
Delta Preferred Option -	\$20.87	\$57.65
Delta Premier -	\$18.66	\$52.84
	Benefits Trust Employees Only	
	Single	Family
Dental / Vision / Life -	\$50.00	\$50.00

035-09 Vision Care Insurance. This charge is made to pay premiums for vision care insurance provided under Sec 124.82 of the Revised Code. This charge no longer applies to employees covered under the Benefits Trust. A **\$50.00** charge per eligible employee is a negotiated rate to include Dental, Vision, and Life Insurance. The **\$50.00** is reflected in object 035-08. For Exempt employees eligible for vision care insurance, the composite rate is **\$11.07**.

035-10 Disability Leave. This charge is computed at **1.55%** of gross pay for persons eligible to receive benefits under the program established in accordance with Sec 124.385 of the Revised Code. If part-time employees are eligible to receive disability benefits based on their respective union contract, disability premiums are deducted.

035-11 Accrued Leave Fund. This charge is computed at **2.30%** of gross pay of persons eligible for sick, personal or vacation leave. The proceeds of this charge are used for sick and personal leave converted on December 1 of each year and for sick, personal or vacation leave paid to the employee at the time of separation from state service as authorized by Sec 125.211 of the Revised Code.

035-12 Premiums for Medicare portion of FICA as required by 1986 Federal Budget Act for all employees hired on or after April 1, 1986. The employer share is 1.45% of the employee's gross salary. The wage ceiling has been eliminated starting with calendar year 1994.

035-13 Indemnity Insurance Premiums. When required by collective bargaining agreements to be paid on behalf of members of the unit. The rate is per employee per month and is charged the first payroll period of each month as follows:

<u>Union</u>	<u>CBU</u>	<u>Rate</u>
OSTA	01	\$7.00
FOP	02	\$3.125
OSTA	15	\$7.00
FOP	46	\$3.125
FOP	48	\$3.125

035-14 Double Life Insurance. When required by collective bargaining agreements, double life insurance is paid to persons killed in the line of duty. The cost of insurance is cents per thousand dollars of coverage. This charge no longer applies to employees covered under the Benefits Trust. A **\$50.00** charge per eligible employee is a negotiated rate to include Dental, Vision, and Life Insurance. The **\$50.00** is reflected in object 035-08. For Exempt employees eligible for life insurance the cost of the life insurance premiums is \$.020 per thousand dollars of coverage.

035-15 Tuition Reimbursement. Provides reimbursement of job/career-related tuition and seminar costs for affected employees in different collective bargaining units. The rate is per employee per pay period and is charged as follows:

<u>Union</u>	<u>CBU</u>	<u>Rate</u>
OSTA	01	\$1.60
FOP	02	\$2.61
OSTA	15	\$3.27
OEA	10	\$9.09
1199	11 & 12	\$3.51

- 035-16 Employer's Share of Law Enforcement Retirement. This charge is calculated at 16.70% of the payroll for employees subject to LERS (law enforcement provision of PERS).
- 035-17 The combined employee/employer charge for the Benefits Education and Communication Surcharge is \$1.00 for each employee who has a health insurance deduction. The combined employee/employer rate for the Managed Mental Health Substance/Abuse Surcharge is **\$6.59** for single coverage and **\$17.65** for family coverage. The employer charge is the same percentage as the state's share of the employee's health insurance premium (see **PL 822**). Employees participating in the Medical Savings Account do not pay the mental health surcharge.
- 035-18 Parental Leave Benefit Fund. This charge is to cover the costs of parental leave benefits provided under Sec. 124.136 of the Ohio Revised Code and collective bargaining agreements. The premium is **.12%** of gross payroll per affected employee per pay period.
- 035-19 Workforce Development Fund. This charge is to cover the costs associated with article 37.02 of the OCSEA agreement. An assessment of \$0.15 per hour paid in active pay status (excludes hours paid when on disability leave or receiving workers compensation) per person per pay period for employees represented by collective bargaining units 3, 4, 5, 6, 7, 8, 9, 13, 14 and 55. **Also includes employees represented by collective bargaining unit 40, where the employee pays \$0.05 of the per hour rate and the employer pays \$0.10 of the per hour rate.**
- Professional Development Fund. This charge is to cover the costs associated with Sec. 124.182 of the Revised Code. An assessment of \$0.10 per hour paid in active pay status (excludes hours paid when on disability leave or receiving workers compensation) per person per pay period for employees represented by the exempt employees benefit bill.
- 043-01 This charge is for the cost of Human Resources Division services furnished in accordance with Sec. 124.07 of the Revised Code. The charge is \$11.38 per paycheck.
- 043-03 Accounting Reports and Services. This charge is made to reimburse the Accounts Section of the Office of Budget and Management for the cost of accounting reports and services. The rate is **.295%** of the adjusted gross for each employee. The FY03 rate represents a decrease from the FY02 rate.

- 043-05 Collective Bargaining. This charge is made for service performed in accordance with Sec 4117.10 (D) of the Revised Code. Charges will be computed on the head count of employees in all agencies except Judicial, Legislative, State Employment Relations Board, Attorney General, Auditor of State, Treasurer of State, Lt. Governor and Governor. The rate is **\$1.93** per employee.
- 043-07 Ohio Employee Assistance - The charge is made for services provided by the Ohio Employee Assistance Program. Charges will be computed on salaries of employees in all agencies except Judicial-Municipal Court Judges. The rate is \$.60 per employee.
- 043-08 Equal Employment Opportunity - This charge is made to reimburse the Division of EEO of the Department of Administrative Services for costs of administering equal employment programs in accordance with administrative rule 123:1-49. The rate is **\$.29** per employee
- 043-09 Enterprise Services - This charge is for directory and technology advisory services coordinated by the Computer Services Division of DAS. The premium is .119 % of gross payroll per affected employee per pay period.

Effective July 1, 1993, all employees represented by the various unions with dental insurance, vision insurance and life insurance will have those benefits coordinated through the OCSEA Benefits Trust. Each employee who is covered by one of these collective bargaining agreements will receive their benefits through the Benefits Trust:

Ohio State Troopers Association (OSTA):

CBU 01, 15

Fraternal Order of Police (FOP):

CBU 02, 46, and 48

Ohio Civil Service Employees Association (AFSCME):

CBU 03, 04, 05, 06, 07, 08, 09, 13, 14, 45, 50, and 55

State Council of Professional Educators (SCOPE):

CBU 10

United Health Care and Social Service Union (Local 1199):

CBU 11 and 12

Communications Workers of America (CWA)

CBU 40

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Attachment

PAYROLL OBJECTS OF EXPENSE

010 - WORK PERFORMED

01 010-01 BASE SALARIES AND WAGES
02 010-02 BILINGUAL SUPPLEMENT
03 010-03 PROFESSIONAL ACHIEVEMNT SUPP
04 010-04 EDUCATIONAL ATTAINMENT SUPP
05 010-05 SHIFT DIFFERENTIAL SUPP
06 010-06 HAZARDOUS DUTY SUPPLEMENT
07 010-07 OTHER + MEAL TIME SUPPLEMENT
08 010-08 LONGEVITY SUPPLEMENT
09 010-09 MERIT PAY SUPPLEMENT
10 010-10 COMP TIME USED-OT EXMT EMPL

011 - OVERTIME

11 011-01 OVERTIME PAY
12 011-02 PAY FOR HOLIDAY WORKED
13 011-03 REPORT/CALL BACK PAY
14 011-04 COMP TIME PAID-OT ELIG EMPL
15 011-05 COMP TIME USED-OT ELIG EMPL
16 011-06 ROLL-CALL PAY
17 011-07 ON-CALL PAY
18 011-08 ON-DUTY PAY
19 011-09 STAND-BY PAY
20 011-10 COMP TIME USED IN LIEU OF SICK

020 - UNEARNED WAGES

21 020-01 HOLIDAY COMPENSATION
22 020-02 SICK LEAVE COMPENSATION
23 020-03 PERSONAL LEAVE COMPENSATION
24 020-04 VACATION COMPENSATION
25 020-05 INJURY COMPENSATION
26 020-06 MILITARY LEAVE COMPENSATION
27 020-07 JURY DUTY COMPENSATION
28 020-08 DISABILITY LEAVE COMP
29 020-09 SICK LV COMP W/O TERM
30 020-10 PERSONAL LV COMP W/O TERM
31 020-11 BEREAVEMENT LEAVE COMP
32 020-12 ADMINISTRATIVE LEAVE COMP
33 020-13 UNION TIME COMPENSATION
34 020-14 ADOPTION/CHILDBIRTH COMP
35 020-15 TUITION REIMBURSEMENT
36 020-16 HEADQUARTERS ALLOWANCE
37 020-17 UNIFORM ALLOWANCE
38 020-18 CIVIC LEAVE COMPENSATION
39 020-19 COURT ORDERED COMPENSATION
40 020-20 EMERGENCY COMPENSATION
41 020-21 PATIENT-AUDITOR REWARD
42 020-22 WORKERS COMP BENEFITS
43 020-23 LUMP SUM PAYMENTS
44 020-24 ARBITRATION PAYMENTS
45 020-25 MEDICARE PART B REIMBURSE
46 020-26 TRAVEL SUPPLEMENT
47 020-27 VAC COMP IN LIEU OF SICK
48 020-28 PERS LEAVE IN LIEU OF SICK

021 - MOVING EXPENSES

49 021-01 MOVING EXPENSES, MILEAGE

030 - TERMINAL LEAVE

50 030-01 SICK LV COMP AT TERMINATION
51 030-02 PERSONAL LV COMP AT TERM
52 030-03 VACATION LV COMP AT TERM

035 - BENEFITS

53 035-01 PERS EMPLOYER CONTRIBUTION
54 035-02 STRS EMPLOYER CONTRIBUTION
55 035-03 HPRS EMPLOYER CONTRIBUTION
56 035-04 WORKERS COMP EMPLR CONT
57 035-05 HOSP INSURANCE CONTRIBUTION
58 035-06 FICA EMPLOYER CONTRIBUTION
59 035-07 GROUP LIFE INS CONTRIBUTION
60 035-08 DENTAL / BEN. TRUST CONTRIBUTION
61 035-09 VISION INS CONTRUBUTION
62 035-10 NET DISABILITY LEAVE AMOUNT
63 035-11 NET ACCRUED LEAVE AMOUNT
64 035-12 MEDICARE EMPLR CONTRIBUTION
65 035-13 LIABILITY INS CONTRIBUTION
66 035-14 DOUBLE LIFE INS CONTRIBUTION
67 035-15 TUITION REIMBURSEMENTS
68 035-16 LERS EMPLOYER CONTRIBUTION
69 035-17 HMO COMM/MH SURCHAGES
70 035-18 PARENTAL LEAVE BENEFIT FUND
71 035-19 AFSCME/EXEMPT WORKFORCE DEV

036 - CHILD CARE VOUCHER

77 036-01 CHILD CARE VCHR CONTRIBUTON

043 - CHARGE BACKS

72 043-01 PAYROLL PROCESSING CK-OFF
73 043-03 CENTRAL ACCOUNT SYS CK-OFF
74 043-05 COLLECTIVE BARGAIN CK-OFF
75 043-07 EMPL ASST PGM (EAP) CK-OFF
76 043-08 EQUAL EMPL OPP (EEO) CK-OFF
78 043-09 ENTERPRISE SERVICES CK-OFF

SPECIAL OBJECTS - FOR USE BY OBM AND DAS PAYROLL ONLY

79 020-08 DISABILITY LEAVE ADJUSTMENT
80 035-11 ACCRUED LEAVE ADJUSTMENT

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