



July 10, 2007

**Payroll Letter 914**  
Supersedes Payroll Letter 901

To: Agency HR Specialists, Payroll Specialists, Budget Specialists, Benefits Specialists, Labor Relations Specialists, and Regulatory Requirements Specialists of All Departments, Institutions, Boards and Commissions

From: Dan R. Parks, State Payroll Administrator

Subject: Fringe Payroll Costs, Fiscal Year 2008

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Payrolls issued for employees of the State of Ohio have certain payroll related charges added. These charges are pro-rated to the same OAKS Combo Code chart of accounts as the employee's salary. The charges effective for fiscal year 2008 are listed below. In addition, attached is a listing of the OAKS Expense Account categories.

- 502025 *Medicare Part-B Reimbursement.* This charge 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 \$93.50 per month for eligible employees.
- 503501 *PERS Employer Contribution.* This charge is calculated at 13.77% of gross pay for employees subject to PERS. On January 1, 2008, this charge will increase to 14.00%.
- 503502 *STRS Employer Contribution.* This charge is calculated at 14.00% of gross pay for employees subject to STRS.
- 503503 *HPRS Employer Contribution.* This charge is calculated at 25.50% of gross pay for employees who are subject to HPRS.
- 503504 *Workers' Compensation Employer Contribution.* The rates are based on a separate schedule issued by the Bureau of Workers' Compensation. See Payroll Letter 913 indicating the Workers' Compensation Rates for FY 2008.

- 503505 *Hospitalization Insurance Contribution.* This charge is the state's share of health insurance in accordance with Sec. 124.82 of the Ohio Revised Code. See Payroll Letter 909 indicating current health insurance codes and rates.
  
- 503506 *FICA Employer Contribution.* This charge is calculated at 6.20% of gross pay for employees who are exempt from the state retirement systems, and therefore subject to FICA.
  
- 503507 *Group Life Insurance Contribution.* This charge is made to pay premiums for life insurance provided under Sec 124.81 of the Ohio 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. The charge for exempt employees will be \$.15 per thousand dollars of life insurance coverage. This includes \$.135 for basic life, and \$.015 for double life insurance. For employees covered under OCSEA Benefits Trust, a \$70.00 charge per eligible employee is a negotiated rate to include Dental, Vision, and Life Insurance. The charge is reflected in expense account 503508.
  
- 503508 *Dental Insurance/Benefits Trust Contribution.* This charge is made to pay premiums for dental care insurance provided under Sec 124.82 of the Revised Code. For employees covered under OCSEA Benefits Trust, a \$70.00 charge per eligible employee is a negotiated rate to include Dental, Vision, and Life Insurance. For eligible employees, the current rates are:

Description	Premium
Preferred Choice (OCSEA Benefits Trust)	\$70.00
Quality Dental (OCSEA Benefits Trust)	\$70.00
Delta Dental PPO (exempt employees)	\$25.35 (single)
Delta Dental PPO (exempt employees)	\$71.32 (family)
Delta Dental Premier (exempt employees)	\$22.92 (single)
Delta Dental Premier (exempt employees)	\$64.92 (family)

- 503509 *Vision Insurance Contribution.* This charge is made to pay premiums for vision care insurance provided under Sec 124.82 of the Ohio Revised Code. For employees covered under OCSEA Benefits Trust, a \$70.00 charge per eligible employee is a negotiated rate to include Dental, Vision, and Life Insurance. The charge is reflected in object 503508. For eligible employees, the current rates are:

Description	Premium
Vision Service Plan (OCSEA Benefits Trust)	\$70.00
EyeMed Vision Care Plan (OCSEA Benefits Trust)	\$70.00
Vision Service Plan (exempt employees)	\$17.62
EyeMed Vision Care (exempt employees)	\$9.65

503510 *Disability Leave Premium.* This charge is computed at .80% 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.

503511 *Accrued Leave Premium.* This charge is computed at 2.00% of gross pay for persons eligible for sick, personal or vacation leave. The proceeds of this charge are used for sick and personal leave converted on December 1st of each year, payment of any personal leave balances that exceed maximum accruals at the time personal leave is credited, 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 Ohio Revised Code.

503512 *Medicare Employer Contribution.* 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 gross pay.

503513 *Liability Insurance Contribution.* 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:

Union	CBU	Rate
Ohio State Troopers Association (OSTA)	01	\$7.00
Ohio State Troopers Association (OSTA)	15	\$7.00
Fraternal Order of Police (FOP)	02	\$4.00
Fraternal Order of Police (FOP)	46	\$4.00
Fraternal Order of Police (FOP)	48	\$4.00

503515 *Tuition Reimbursements.* 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:

Union	CBU	Rate
Ohio State Troopers Association (OSTA)	01	\$5.94
Ohio State Troopers Association (OSTA)	15	\$6.05
Fraternal Order of Police (FOP)	02	\$4.18
State Council of Professional Educators (SCOPE)	10	\$7.14
Ohio Health Care (1199)	11/12	\$3.36

503516 *LEERS Employer Contribution.* This charge is calculated at 17.17% of gross pay for employees subject to LERS (law enforcement provision of PERS). On January 1, 2008, this charge will increase to 17.40%.

- 503517 *HMO Communication/Mental Health Surcharges.* The employer charge for the Benefits Communication and Education Surcharge is \$.50 for each employee who has a health insurance deduction. The combined employee/employer rate for the United Behavioral Health (UBH) Managed Mental Health Substance/Abuse Surcharge is \$8.06 for single coverage and \$21.96 for family coverage. The employer charge is the same percentage as the state's share of the employee's health insurance premium (see Payroll Letter 909).
- 503518 *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 .11% of gross pay per employee.
- 503519 *AFSCME Union Education Trust.* This charge is to cover the costs associated with article 37.03 of the OCSEA agreement. An assessment of \$19.00 for each bargaining unit member in active pay status as of the first of the month (excludes when employee is on disability or receiving workers comp). Also includes employees represented by collective bargaining unit 40, where the employer pays \$0.06 per hour paid in active pay status.
- Exempt Professional Development Fund.* This charge is to cover the costs associated with Sec. 124.182 of the Ohio Revised Code. An assessment of \$0.10 per hour paid in active pay status per pay period for exempt employees (excludes time when employee is on disability or receiving workers comp). This charge does not apply to employees in the following agencies: Attorney General, Treasurer of State, Auditor of State, Judiciary, Supreme Court, Court of Claims, Judicial Conference, Senate, House, Legislative Service Commission, and Joint Committee on Agency Rule Review. **NOTE – A rate holiday will be in effect for the first four (4) pay periods of FY 2008.**
- 504301 *Human Resources Services.* This charge is for the cost of human resources services provided by DAS Human Resources Division in accordance with Sec. 124.07 of the Ohio Revised Code, and the Human Capital Management (HCM) component of the OAKS Support Organization. The charge is \$16.18 per paycheck.
- 504303 *OBM State Accounting and Budgeting Services.* This charge is made to reimburse the Office of Budget and Management for the cost of accounting and budgeting services pursuant to Sec. 126.25 of the Ohio Revised Code, and the Financial (FIN) component of the OAKS Support Organization. The rate is .685% of gross pay per employee.

- 504305 *Office of Collective Bargaining.* This charge is made for service performed in accordance with Sec 4117.10 (D) of the Ohio 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 \$2.00 per employee.
- 504307 *Employee Assistance Program.* 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 \$.75 per employee.
- 504308 *Equal Employment Opportunity.* This charge is made to reimburse the Equal Opportunity Division of the Department of Administrative Services for costs of administering equal employment programs in accordance with administrative rule 123:1-49. The rate is \$.26 per employee.
- 504309 *Enterprise Services.* This charge is for enterprise information technology services provided by the Office of Information Technology, including: the enterprise directory, information technology research and advisory services, the Office of Statewide IT Policy, the Office of Enterprise Planning and Project Management, and the enterprise components of the Office of the State Chief Information Officer. The premium is .231% of gross pay per employee.

DRP/dp  
Attachment

## OAKS EXPENSE ACCOUNTS

501001	BASE SALARIES AND WAGES
501002	BILINGUAL SUPPLEMENT
501003	PROFESSIONAL ACHIEVEMENT SUPP
501004	EDUCATIONAL ATTAINMENT SUPP
501005	SHIFT DIFFERENTIAL SUPP
501006	HAZARDOUS DUTY SUPPLEMENT
501007	OTHER / MEAL TIME SUPPLEMENT
501008	LONGEVITY SUPPLEMENT
501009	MERIT PAY SUPPLEMENT
501010	COMP TIME USED-OT EXEMPT EMPL

501101	OVERTIME PAY
501102	PAY FOR HOLIDAY WORKED
501103	REPORT / CALL BACK PAY
501104	COMP TIME PAID-OT ELIG EMPL
501105	COMP TIME USED-OT ELIG EMPL
501106	ROLL-CALL PAY
501107	ON-CALL PAY
501108	ON-DUTY PAY
501109	STAND-BY PAY

502001	HOLIDAY COMPENSATION
502002	SICK LEAVE COMPENSATION
502003	PERSONAL LEAVE COMPENSATION
502004	VACATION COMPENSATION
502005	INJURY COMPENSATION
502006	MILITARY LEAVE COMPENSATION
502007	JURY DUTY COMPENSATION
502008	DISABILITY LEAVE COMP
502009	SICK LV COMP W/O TERM
502010	PERSONAL LV COMP W/O TERM
502011	BEREAVEMENT LEAVE COMP
502012	ADMINISTRATIVE LEAVE COMP
502013	UNION TIME COMPENSATION
502014	ADOPTION / CHILDBIRTH COMP
502015	TUITION REIMBURSEMENT
502016	HEADQUARTERS ALLOWANCE
502017	UNIFORM ALLOWANCE
502018	OTHER LEAVE COMPENSATION
502019	COURT ORDERED COMPENSATION
502020	EMERGENCY COMPENSATION
502022	WORKERS COMP BENEFITS
502023	LUMP SUM PAYMENTS
502024	ARBITRATION PAYMENTS
502025	MEDICARE PART-B REIMBURSEMENT
502026	TRAVEL SUPPLEMENT
502027	VACATION USE IN LIEU OF SICK
502028	PERS LEAVE USE IN LIEU OF SICK

502101	MOVING EXPENSES / MILEAGE
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503001	SICK LV COMP AT TERMINATION
503002	PERSONAL LV COMP AT TERMINATION
503003	VACATION LV COMP AT TERMINATION

503501	PERS EMPLOYER CONTRIBUTION
503502	STRS EMPLOYER CONTRIBUTION
503503	HPRS EMPLOYER CONTRIBUTION
503504	WORKERS COMP EMPLOYER CONT
503505	HOSP INSURANCE CONTRIBUTION
503506	FICA EMPLOYER CONTRIBUTION
503507	GROUP LIFE INSURANCE CONTRIBUTION
503508	DENTAL / BENEFITS TRUST CONTRIBUTION
503509	VISION INSURANCE CONTRUBUTION
503510	DISABILITY LEAVE PREMIUM
503511	ACCRUED LEAVE PREMIUM
503512	MEDICARE EMPLOYER CONTRIBUTION
503513	LIABILITY INSURANCE CONTRIBUTION
503514	DOUBLE LIFE INSURANCE CONTRIBUTION
503515	TUITION REIMBURSEMENTS
503516	LEERS EMPLOYER CONTRIBUTION
503517	HMO COMMUNICATION / MH SURCHARGES
503518	PARENTAL LEAVE BENEFIT FUND
503519	AFSCME / EXEMPT WORKFORCE DEV

503601	CHILD CARE VOUCHER CONTRIBUTON
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504301	PAYROLL PROCESSING
504303	CENTRAL ACCOUNTING SYSTEM
504305	COLLECTIVE BARGAINING
504307	EMPLOYEE ASSISTANCE PROGRAM
504308	EQUAL EMPLOYMENT OPPORTUNITY
504309	ENTERPRISE SERVICES