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SR 82102: Modification of Gross-to-Net (GTN) numbers 397 and 731

Objective:

Based upon the opinion of the Office of General Counsel and confirmed by outside counsel, the University should not take tax deferred 403(b) [GTN #731] or 457(b) [GTN #397] reductions from pay paid to an employee after the employee's date of separation. Therefore, the attribute for "Stop at Separation – TRM" (column 54) on the GTN table (Table 02) should be "S," where the deduction, reduction, or contribution is not processed.

Project Type:

Modification of GTN table

Requested by:

Payroll Coordination & Tax Services

Analyst:

Patty Yamashita

Due Date(s):

February 8, 2008

Current Process:

At the present time, whenever an employee who has separated from University employment receives payment after his/her separation date, the payroll compute and the Rush Check process will reduce the payment by the percentage based 403(b) and 457(b) amounts.

This request for change does not affect the flat dollar 457(b) [GTN #396] and 403(b) [GTN #730]. Both these GTN numbers have an "S" in column 54.

Proposed Process:

Because of the legal opinion provided by OGC, GTN numbers 397 and 731 should no longer affect any pay paid after the separation date for a separated employee. The value in column 54 should be changed from blank to "S."

Requirements:

- 1) Update the GTN table
- 2) To insure that the percentage based 403(b) and 457(b) amounts are not processed, test the payroll computation cycle and the Rush Checks process

Test cases will be provided in another document.

GTN Table is attached.

