HRCC Workshop – 10:30 a.m.

- Informal meet and greet and discussion about HRCC agenda and workshop ideas for 2017.

HRCC Meeting – 11:00 a.m.

- FLSA Update
- Performance Management Update
- Ufirst Update

From our colleagues at FEAP:
Holidays have you stressed or feeling lonely? You’re not in this by yourself. UVA’s Faculty and Employee Assistance Program is here to support you. FEAP provides free, confidential counseling resources to UVA employees and members of their household. Call 434.243.2643 or visit www.uvafeap.com to make an appointment. FEAP is also available for after-hours emergencies at 434.924.0000; ask for the EAP counselor on call.

Key HR Operations Reminders (Academic Side Only):

- The 2016 and 2017 University Holiday Schedules can be found on the UHR web site at: [http://www.hr.virginia.edu/calendars/university-holiday-schedule/](http://www.hr.virginia.edu/calendars/university-holiday-schedule/)  

- Payroll Processing Schedule:  
  [http://www.hr.virginia.edu/calendars/2016-payroll-calendar/](http://www.hr.virginia.edu/calendars/2016-payroll-calendar/)  
  [http://www.hr.virginia.edu/calendars/2017-payroll-calendar/](http://www.hr.virginia.edu/calendars/2017-payroll-calendar/)

  *Note: The Payroll processing calendar is subject to change, particularly around holidays. If you print a copy of the calendar, always be sure you have printed the most recent version which is maintained on our web site.*

- HR Community Circle Meeting Schedule for 2017 is posted on the HRCC Web Site. We will meet the second Tuesday of the month. Times for the meetings will be forthcoming.

- FICA Processing: The process that will switch student assignments for those enrolled in the Spring, 2017 semester to be exempt from FICA withholding will be run on Friday, January 20, 2017 so that students enrolled for the semester that begins on Wednesday, January 18, 2017 will be FICA exempt for the Bi-weekly payroll #2 (01/09 – 01/22).

  *Note: A student working for the University during the Christmas break is eligible for the FICA exemption as long as the student qualifies for the FICA exemption on the last day of the semester preceding the break and is eligible to enroll in classes in the first semester following the break.*
If users encounter a situation where the FICA eligibility has not been properly handled, please contact the UHR Service Center at 434-982-0123 or via email at askhr@virginia.edu.

- **Taxable Gifts-Quarterly Submission**: Be sure to notify University Payroll at the beginning of each quarter of any taxable gifts given to an employee so they can be added as taxable income to the employee’s W2. Gift cards of any dollar value are considered “cash” and are 100% taxable. A non-cash item less than $100 is not considered taxable, but all non-cash gifts above that threshold are taxable. Tangible personal property (UVa chairs, blankets, etc.) awarded to employees to recognize the employee’s length of service (including retirement) is not taxable. However, the award must involve something other than cash, a gift certificate, or other equivalent item, and must be given for length-of-service. The amount that the employee can receive tax free is limited to the employer’s cost and cannot exceed $1,600 for all awards the employee receives during the year. In addition, the employer must make the award as part of a meaningful presentation. The tax-free employee achievement award exception does not apply if: The length-of-service award is for less than five years of service or if the employee received another length-of-service award during the year or the previous four years.

- **Tax Withholding on Education Benefits**: Employees that have received Education Benefits will have any excess above $5,250 added to their taxable wages. Social Security and Medicare taxes will be withheld on the taxable amount and the employee will be responsible for paying Federal and State taxes on their own. Over the next month we will be reviewing all education benefit usage to identify those employees who have amounts greater than $5,250. Payroll will add this taxable amount to bi-weekly employees’ wages for the pay period ending October 30 (pay day November 4) and for monthly employees’ wages for the pay period ending October 24 (pay day November 1). If the taxable amount exceeds $300, we will divide it over the remaining pay periods of the calendar year to lessen any negative impact. University Payroll will contact employees via email to inform them of any taxable benefits to be added to their wages. Questions may be directed to Lori O’Connor in University Payroll at ldo2n@virginia.edu or 924-4221.

- **Exempt Tax Status**: Persons claiming “exempt” for their 2016 W-4 or VA-4 forms must file new tax forms no later than Wednesday, February 15, 2017 to continue this status during 2017. This is an IRS regulation. If the employee neglects to file new tax forms, the employee will be switched to have taxes withheld on the taxable amount and the employee will be responsible for paying Federal and State taxes on their own. If the employee neglects to file new tax forms, the employee will be switched to have taxes withheld on the taxable amount and the employee will be responsible for paying Federal and State taxes on their own. Over the next month we will be reviewing all education benefit usage to identify those employees who have amounts greater than $5,250. Payroll will add this taxable amount to bi-weekly employees’ wages for the pay period ending October 30 (pay day November 4) and for monthly employees’ wages for the pay period ending October 24 (pay day November 1). If the taxable amount exceeds $300, we will divide it over the remaining pay periods of the calendar year to lessen any negative impact. University Payroll will contact employees via email to inform them of any taxable benefits to be added to their wages. Questions may be directed to Lori O’Connor in University Payroll at ldo2n@virginia.edu or 924-4221.

- **Reminder – 2016 W-2’s**: Get your W-2 sooner! The online W-2 will be available mid-January, 2017, two weeks earlier than the paper version. If you don’t elect to get your W-2 online, your paper W-2 will not be mailed until January 31, 2017. Employees who have not elected to receive their W-2 online can expect an email soon with instructions on how to enroll.

- **Check Address for Year End**: Please have your employees take a look at their home address information in Employee Self-Service. Per audit compliance, no employee should have the department’s address as their Home Address. Also, employees with University Payroll as a Home Address must have a corresponding entry in Foreign Home Address.

- **Reminder- Review Emergency Event Status and Policy**: The winter inclement season will be here all too soon. It is important that managers convey to employees their “designated” or “non-designated” status as it applies to an Emergency Event. An employee may view their status via Employee Self-Service under “My Information”. The policy can be found at [http://www.hr.virginia.edu/event-status](http://www.hr.virginia.edu/event-status). HRMS Specialists have the ability to update the Emergency Event Status which is contained in the Special Information Type named Emp-Emergency Event Status. The navigation path is People Enter & Maintain>Special Info. Managers may request that the Specialists make updates to this field. All new employees are defaulted to “Non-designated” and it is up to managers to get those employees who are “Designated” updated in the Integrated System, whether that is done by the manager him/herself via
Manager Self-Service or by having their HRMS Specialist do the update. The employee’s Emergency Event Status is viewable in several Discoverer reports including PAY_Leave Balance (all tabs), HR_Employee Information for Labels, HR_Current Salary Information, and HR_Employees by Supervisor and Organization.

- **University Leave Cash-Out:** The University Staff leave program has a cash-out option for employees who have hours in excess of the maximum hours allowed for carry forward. Employees will be paid 50 percent of the value of the University Staff leave that they lose, provided they have used a minimum of 10 days (80 hours) during the leave year ending December 25, 2016 (pro-rated for part-time University Staff). This minimum usage requirement is intended to encourage employees to take some time off to relax and rejuvenate. The cash-out payment may be received as taxable income or it may be deposited into a tax-deferred savings plan. After the processing for the final leave period of the year (December 25, 2016) is completed, a process is run for the carry forward of leave which identifies any amount above the carry forward limit for the employee. Any University Staff employee with an amount above the carry forward limit and who met the 80-hour threshold of usage will have a “payout” automatically created for half of the hours. This payout will be processed in the first pay period of the new leave year with pay period ending January 8, 2017 with a check date of January 13, 2017.

- **Social Security Wage Base Increases to $127,200 for 2017**  
The Social Security Administration (SSA) announced on Tuesday, October 18, 2016, that the 2017 social security wage base will be $127,200, which is an increase of $8,700 from $118,500 in 2016. As in prior years, there is no limit to the wages subject to the Medicare tax; therefore all covered wages are still subject to the 1.45% tax. As in 2016, wages paid in excess of $200,000 in 2017 will be subject to an extra 0.9% Medicare tax that will be withheld only from employees’ wages. Employers will not pay the extra tax.

The FICA tax rate, which is the combined social security tax rate of 6.2% and the Medicare tax rate of 1.45%, will be 7.65% for 2017 up to the social security wage base. The maximum social security tax employees and employers will each pay in 2017 is $7,886.40, an increase of $539.40 from $7,347 in 2016.