

Supplemental Military Pay



Robert E. Byrd, CGFM
County Auditor-Controller



Welcome!



Patriot:
a person who
loves, supports,
and defends
his or her country
and its interests
with devotion.



Military Pay (MIL)



- Eligible employees receive regular pay for the first 30 days of active duty per fiscal year.
 - A fiscal year is from July 1 to June 30
 - The 30 day period is cumulative.



Military Pay (MIL)

- Departments report eligible employees by reporting military time using the time reporting code MIL
 - Military time (MIL) appears on the paystub / advice as non-worked time (NWT)

HOURS AND EARNINGS					
Code	Description	Rate	Current Hours	Current Earnings	YTD Earnings
NWT	Non Worked Time	30.317	64.00	1,940.29	4,930.17
MIL	Military Leave Accrual		0.00	0.00	0.00
FLX	Flexible Benefit			338.00	3,700.00
SCK	Sick			0.00	287.49
HLX	Holiday Worked (No Retirement)			0.00	1,143.15
HOL	Holiday			0.00	459.98
COT	County Overtime			0.00	1,223.29
OVT	Overtime			0.00	301.87
REG	Regular			0.00	14,876.55
UNA	Uniform Allowance			0.00	150.90
VAC	Vacation			0.00	2,183.55



Military Pay (MIL)

- ACO Payroll does not track military pay (MIL); therefore the departments need to track the employee's total leave in calendar days within a fiscal year.



What Do I Send to ACO Payroll?

- Nothing!
- ACO Payroll does not need a leave of absence (LOA) form, military orders or a military leave earnings statement (LES) during the initial 30 day period.



Holiday Pay for MIL

- Employees receiving regular pay coded as military pay (MIL) will continue to receive pay for the holiday as time reporting code HOL.



Military Differential Pay



- Eligible employees shall receive the difference between their county base salary and their military basic pay starting on the 31st day of military leave each fiscal year.
 - A fiscal year is from July 1 to June 30



Special Compensation

- ACO Payroll will stop additional pay for:
 - Uniform
 - Bilingual
- ACO Payroll will override the deduction of:
 - Survivor 's Benefit



Military Differential Pay



- Departments report eligible employees by reporting military leave accrual (MLA) using the time reporting code MLA in time and labor.



What Do I Send to ACO Payroll?

- Approved leave of absence (LOA) form.
- Complete copy of the military orders.
- Most current military leave earnings statement (LES).

Important!

ACO Payroll cannot process
military differential pay (MLP)
without the above information.




What is ACO Payroll Looking For?

- Leave of absence form (LOA)
 - Is the form completely filled out?
 - Has the request been approved by the Department Head?



Leave of Absence Form (LOA)

COUNTY OF RIVERSIDE
 Leave of Absence Form
 (For Military, Personal, and Educational Leave. *Not for Family and Medical Leave.*)

LOA 

TYPE OF LEAVE: Military Personal Educational **Date:** 12/11/08

Employee Name _____ Empl # _____
 Department/ Dept ID _____ Date of Hire 8/10/00
 Current Job Code/Title _____ Home Phone _____
 Employee's Address _____
 Employee's Signature _____ Soc. Sec. # _____

B TYPE OF REQUEST:

NEW Leave Dates: 11/22/08 to Unk. Last Day Worked: 11/6/08

Military Leave - Paid (Meets eligibility requirement. A copy of the Military Orders is attached.)
 Military Leave - Unpaid (Does not meet the eligibility requirement. A copy of the Military Orders is attached.)
 Personal Paid Unpaid
 Educational Paid Unpaid

CHANGE

Extend leave date to: _____
 Pay Status Paid Unpaid Effective: _____

RETURN Return From Leave: _____

Comments: Employee exhausted 30 days MIL on 12/6/08. MLA will start on 12/7/08.

C DEPT. APPROVAL RECOMMEND APPROVAL DO NOT RECOMMEND

Department Head/Designee Signature *[Signature]* Date _____

GENERAL PROCESSING ONLY

Comments: _____
 APPROVED NOT APPROVED
 Asst. CEO/Human Resources Director _____ Date _____

HUMAN RESOURCES			PAYROLL		
Action/Reason:	Initial:	Date:	Action/Reason:	Initial:	Date:

BOARD OF SUPERVISORS APPROVAL
 (If the HR Director denies the request, the agency/department head can elect to present the request to the Board.)

 APPROVED NOT APPROVED
 Signed: _____ Date: _____
 Title: _____




What is ACO Payroll Looking For?

- Military orders
 - Will the employee be on active duty or ordered duty?
 - Active and / or ordered duty dates



Military Orders

REQUEST AND AUTHORIZATION FOR ACTIVE DUTY TRAINING/ACTIVE DUTY TOUR				RESERVE ORDER OF THE SECRETARY OF THE AIR FORCE					
<p>AUTHORITY: 10 USC 8013; Executive Order 9397. PRINCIPAL PURPOSES: Used to request and authorize Air Force reservist tours of active duty as well as acting as a temporary duty travel order. SSN is used to make positive identification of military personnel. Becomes record copy of orders after authentication; enables reservist to procure transportation, receive reimbursement for travel expenses and be paid military pay, as applicable. ROUTINE USES: A copy of the order may be provided to civilian employers to substantiate active duty military requirements. DISCLOSURE IS VOLUNTARY: However, without this information and SSN the Air Force cannot act on your travel, per diem and pay entitlements.</p>									
1. NAME (Last, First, MI)		2. GRADE TSQT	3. SSN		4. SECURITY CLEARANCE				
5. PRESENT STREET ADDRESS			6. CITY		7. STATE				
9. UNIT OF ASSIGNMENT		10. LOCATION			11. PAS CODE				
452 SECURITY FORCES SQ FFBI		MARCH ARB, CA 925180000			U41LFBLO				
12. Mbr is ordered to ACTIVATION (MOBILIZATION)				for 298 * days plus auth tvl time. (0 Tvl Days)		TRACKING #: 2194164			
13. WILL REPORT TO (Unit and location) 452 SECURITY FORCES SQ FFBL00, MARCH ARB, CA				14. REPORTING DATA (Hour) (YYYYMMDD) 0730 20081122		15. RELEASE DATE (YYYYMMDD) 20090915			
<p>18. REMARKS AUTH: AFMAN 36-8061 (File travel voucher and completed statement of tour of duty within 5 workdays after tour completion. Travel days will not exceed DODPM authorized travel time. Per diem is based on availability of gov't quarters and mess; contact the base billeting office since gov't quarters must be used when available. Turn in all promotional items (gifts, bonus tickets, etc.) to the AFO.) SEE NEXT PAGE FOR REMARKS.</p>									
20. TNG-CAT-IND				21. TOUR-IND		22. MEAN CODE			
						23. MAN-DAY ID			
24. TRAVEL \$0.00		25. PER DIEM \$14.04		26. OTHER \$0.00		27. TOTAL \$14.04			
28. PAY AND ALLOWANCE 5793500 329 531 525725 3603RE				TRAVEL AND PER DIEM 5793500 329 5841.0J 5841.0M 5841.0H 5841.0N 525725 ZA					
29. FUNDS CERTIFYING OFFICIAL		30. APPROVING OFFICIAL (Typed name, grade, OSA) CARY S CONNORS, LT COL, 951-655-2002		31. SIGNATURE "ELECTRONICALLY APPROVED"		32. DATE 20080827			
33. DEPARTMENT OF THE AIR FORCE (Enter designation and location of headquarters.) 452 AIR MOBILITY WING, (AFRC) MARCH ARB, CALIFORNIA 92518-2259				TDN: FOR THE COMMANDER 37. SIGNATURE ELEMENT OF AUTHENTICATING OFFICIAL LIGAYA M BAMFORD, GS07 "ELECTRONICALLY APPROVED" 					
34. RESERVE ORDER NO. A-00046		35. DATE 20080829		36. DISTRIBUTION					
38. STATEMENT OF TOUR OF DUTY									
LOCATION	LOCATION	HOUR (mil)	DAY	MONTH	LOCATION	HOUR (mil)	DAY	MONTH	MODE OF TRAVEL
a. DEPART					b. ARRIVE				
c. DEPART					d. ARRIVE				
39. I certify that I have complied with the above order. The statements on this form are true and complete. If this tour was extended under the variable tour provisions, it was with my prior knowledge and consent. If				42. Member reported for duty at _____ hours on _____ and was released from duty at _____ hours on _____					



What is ACO Payroll Looking For?

- Leave and earning statement (LES)
 - Employee's basic pay per month.
 - Basic pay is used to calculate the differential pay.

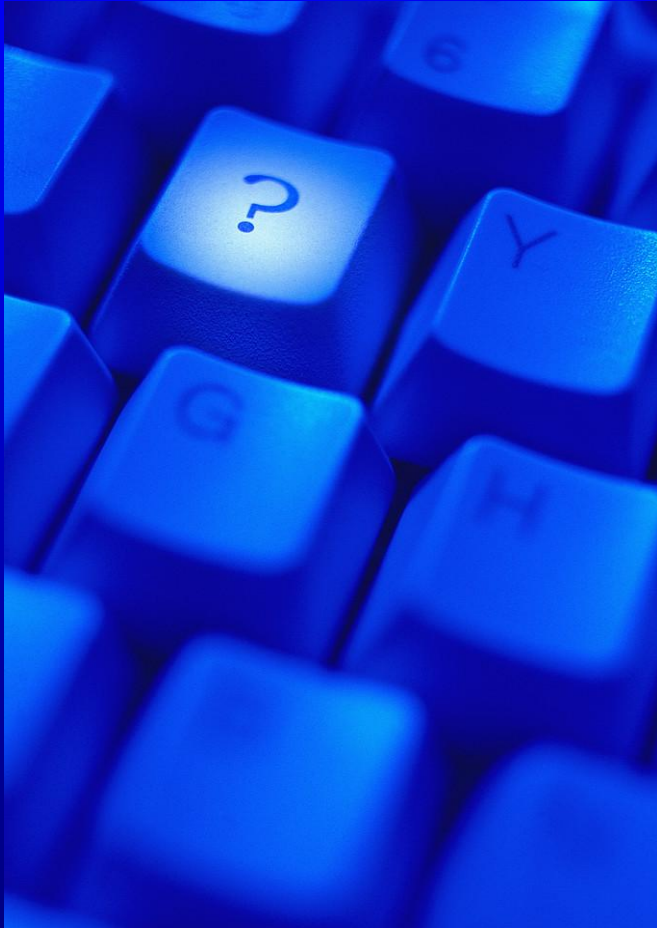


Leave and Earnings Statement (LES)

DEFENSE FINANCE AND ACCOUNTING SERVICE MILITARY LEAVE AND EARNINGS STATEMENT															
NAME (Last, First, MI)		SOC. SEC. NO.		GRADE	PAY DATE	YRS SVC	ETS	BRANCH	ADDRESS	CHK DT 081231					
ENTITLEMENTS				DEDUCTIONS				ALLOTMENTS							
Type	Amount	Type	Amount	Type	Amount	+Amt Paid									
BASIC PAY	1621.65	FED INC TAX	129.10			+Tot Ent 2642.36									
		STATE TAX	134.05			+Tot Ded 262.15									
		STATE INC TAX	29.10			+Tot Allt									
						+Net Amt 2360.11									
						+Cr Paid									
						+EOM Pay									
TOTAL		2642.36		262.15											
LEAVE	SP Bal	Emd	Used	Dr Bal	ETS Bal	Lv Lost	Lv Paid	Use/Lose	FED TAXES	Wage Period	Wage YTD	MIS	Ex	Add Tax	Tax YTD
CA	1.0	2.5	0	3.5	0	0	0	60.0	CA	1621.65	10954.23	M	00	00	899.20
TAXES	Wage Period	Soc Wage YTD	Soc Tax YTD	Med Wage YTD	Med Tax YTD	STATE TAXES	CA	Wage Period	Wage YTD	MIS	Ex	Tax YTD			
PAY DATA	BAG Type	BAG Depr	VHA Zip	Rent Amt	Share	JPTR	Depro	2D JPTR	BAS Type	Charity YTD	TPC	PACDR			
THRIFT SAVINGS PLAN (TSP)	Base Pay Rate	Base Pay Current	Spec Pay Rate	Spec Pay Current	Inc Pay Rate	Inc Pay Current	Bonus Pay Rate	Bonus Pay Current							
	0	.00	0	.00	0	.00	0	.00							
	TSP YTD Deductions				Deferred		Exempt								
	.00				.00		.00								
REMARKS:															
YTD ENTITLE				YTD DEDUCT											
14676.88				2715.49											
<p>YOUR CHECK WAS SENT TO: BANK OF AMERICA NA 121000358 SAINT LOUIS MO 63102-27 AMOUNT: \$2,360.11 ACCOUNT NUMBER: 1137609972 ACCOUNT TYPE: CHECKING COMPANY CODE: 110035 DIRECT DEPOSIT DATE: 12/31/08 * AS OF 13 MAR 01, 002 HIGH TEMPO DEPLOYMENT DAYS ACCRUED SINCE 1 OCT 00 (OR SINCE ENTERING MILITARY SERVICE) TOTAL PERFORMANCE FY 08: UTA 08 AFTP 00 PT/RMP 00 AT/ADT 054 FHDA 000 ACTIVE DUTY (AD) FOR TRAI G: 16 DEC 08 TO 31 DEC 08 YOUR CURRENT STATE CLAIM: VIRGINIA SERVICEMEMBER GROUP LIFE INSURANCE COVERAGE: \$400,000 YOUR SGLI DEDUCTION INCLUDES TRAUMATIC INJURY PROTECTION (TSGLI) SPOUSE SGLI COVERAGE: \$100,000 PLEASE VERIFY YOUR STATE OF LEGAL RESIDENCE FOR STATE INCOME TAX PURPOSE. CONTACT YOUR PAYROLL OFFICE TO FILE A NEW DD FORM 2058 TO CHANGE/ESTABLISH THE CORRECT STATE IMMEDIATELY. GET YOUR TAX REFUND QUICKER WITH IRS E-FILE AND DIRECT DEPOSIT. SEE WWW.IRS.GOV/EFILE AND WWW.FMS.TREAS.GOV/EFT. IF YOU HAVE 90 DAYS OR MORE ACTIVE DTY ON OR AFTER SEP 11, 2001 YOU MAY QUALIFY FOR THE POST 9/11 GI BILL. SEE WWW.GIBILL.VA.GOV HOUSING DIFFICULTIES? SEE YOUR MILITARY LEGAL ASSISTANCE OFFICE OR CALL MILITARY ONESOURCE AT 1-800-342-9647.</p>															



Who Keys what?



- Department:
 - Keys military leave accrual (MLA) into Time and Labor
 - While on extended military leave the employee's schedule needs to be changed to 5 days a week – 8 hours a day.

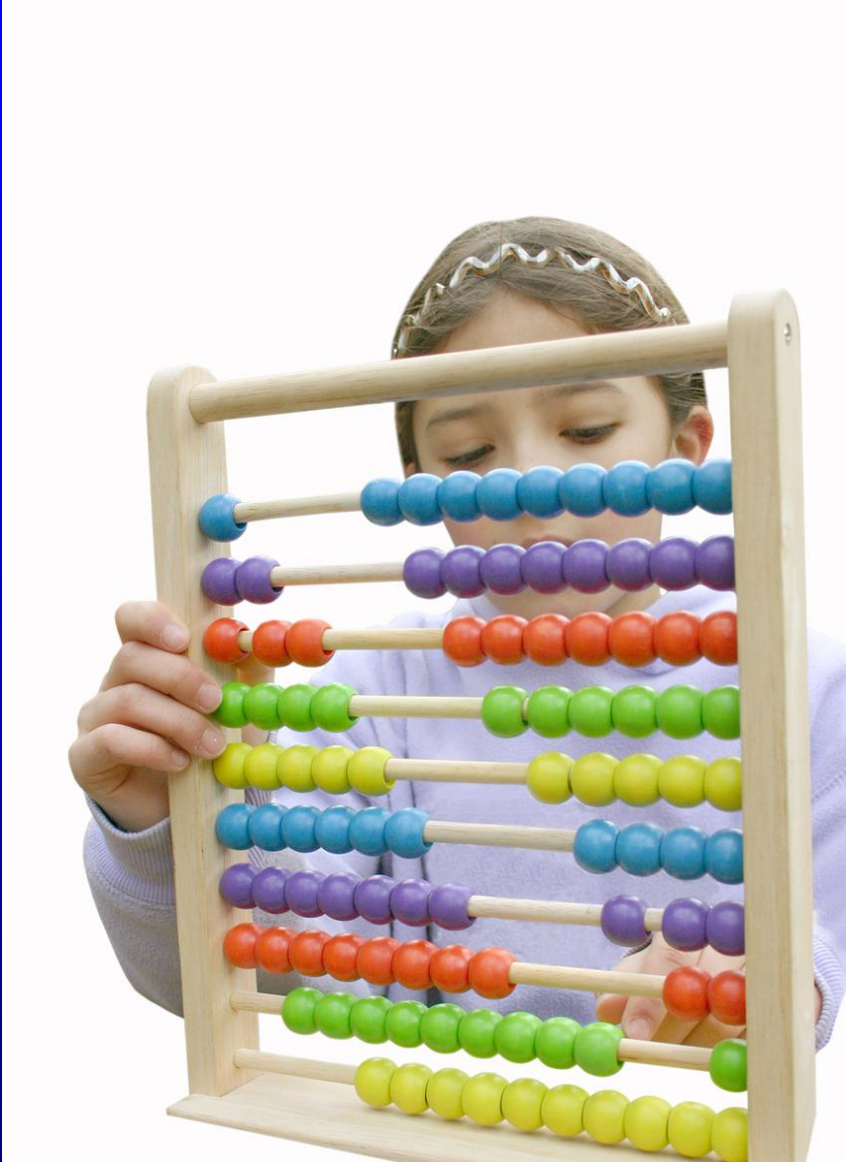


Who Keys what?

- ACO Payroll:
 - Runs a query to find all employees with military leave accrual (MLA).
 - Military differential pay (MLP) is keyed once all support documents have been received and the employee's pay difference is calculated.
 - Adjustments to the calculation will be made if the employee receives an increase or decrease in pay rate.



Differential Pay Example

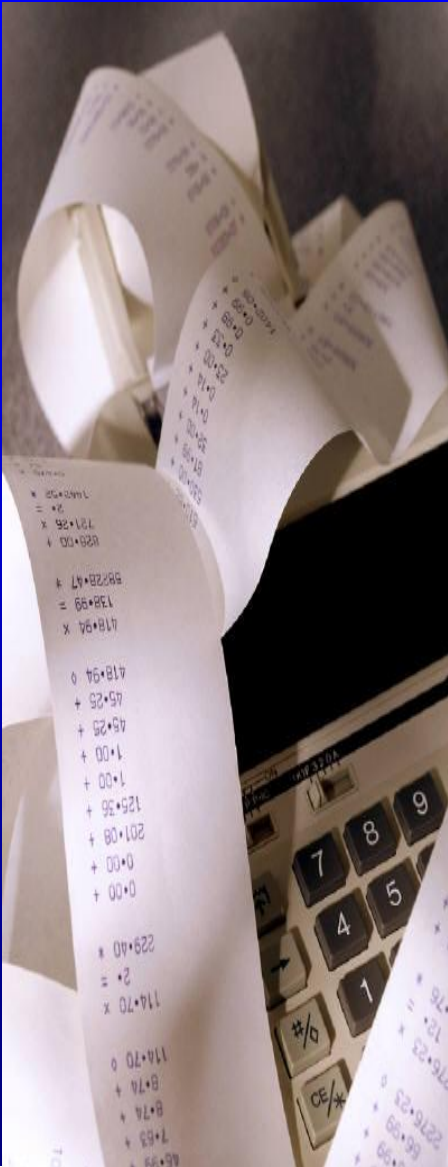


- County pay:
\$34.66/hour
 - \$34.66 x 80 hours =
\$2772.80 /week
 - \$2772.80 / 14 days =
\$198.06 /day



Differential Pay Example

- Military pay: \$1621.65 semi-monthly
 - $\$1621.65 \times 2 = \3243.30 /month
 - $\$3243.30 \times 12 = \38919.60 /year
 - $2080 / \$38919.60 = \18.71 /hour
 - $\$18.71 \times 80 = \1496.80 /week
 - $\$1496.80 / 14 = \106.91 /day



Differential Pay Example

- County daily rate is \$198.06
- Military daily rate is \$ 106.91
 - $\$198.06 - \$106.91 = \$91.08$ per day
 - $\$91.08 \times 14 \text{ days} = \1275.12



- Total military differential pay (MLP) owed to employee per pay period is \$1275.12.



Holiday Pay For MLA/MLP

- A change in reporting is required for compliance with CalPERS rules regarding members called to active duty.
- Employees on extended military leave that are reported as absent without pay using the code (MLA) and receiving military differential pay (MLP) are not paid holiday pay using the code HOL. Instead, their holiday pay is included in the military differential pay (MLP).



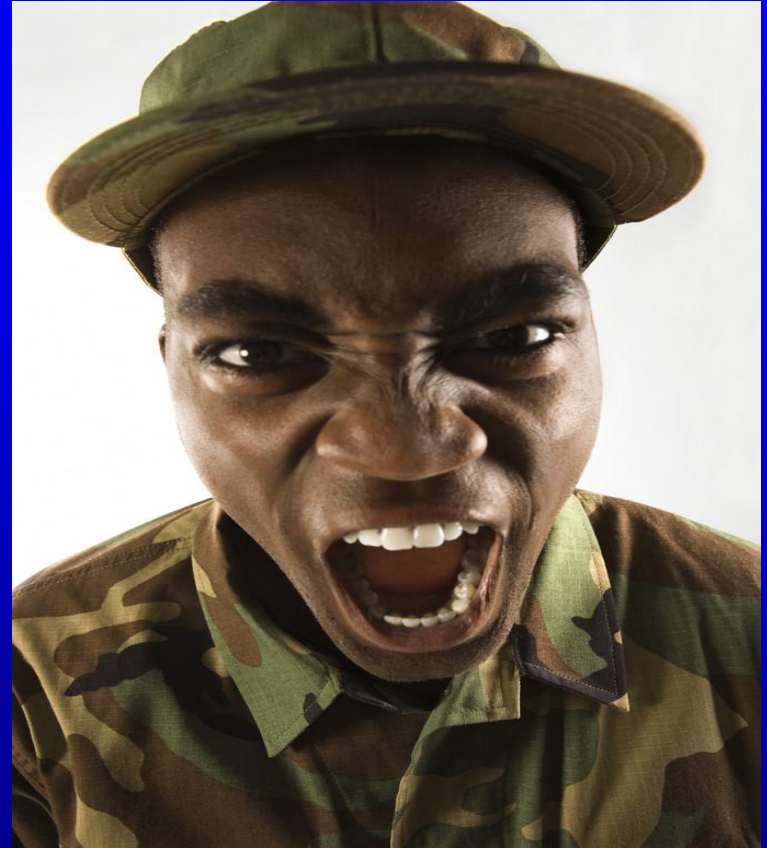
Holiday Pay For MLA/MLP

- The system will populate holiday hours as HOL.
- Remove hours coded as HOL and enter the full 80 hours as MLA.
- ACO Payroll will key the military differential pay (MLP) and include the holiday pay.



Extended Orders

- What does ACO payroll needs when an employee's orders are extended?
 - Updated military orders
 - Current LES



When the Employee Returns

- Once an employee returns departments should:
 - Notify ACO Payroll of employee's return
 - Submit an “Additional Pay Request Form” for any special compensation that needs to be reinstated



Heroes Earnings Assistance and Relief Tax Act (HEART)

- Effective January 1, 2009 employer differential payments made to employees called to active duty services are now considered wages for the purpose of income tax.
- Military differential pay is subject to Federal income tax withholding for all amounts paid after December 31, 2008.



Heroes Earnings Assistance and Relief Tax Act (HEART)

- These payments should be reported in Box 1 of form W-2. However, these payments will not be subject to Social Security or Medicare withholding, and are not entered in box 3 or box 5.



Questions



The End

