Supplemental Military Pay
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.
Who Is Eligible

- Employed by county for one year or longer.
- Are reserved members of the U.S. Armed Forces, National Guard, or Naval Militia.
- Called to active duty of 180 calendar days (6 months) or less.
- No national or local emergency needs to exist.
Who Is Eligible

• All County employees who are National Guard members going on active duty by order of the Governor or by lawful order of a city, county, or the federal government.

• No minimum length of County service is required.

Note: One year of service includes any period of active U.S. military service.
Inactive Duty Training

• Does the County pay for inactive duty training?
  – Weekend drills
  – SUTA or MUTA
What Do Departments Send to HR for Military Leave?

• Submit a Non-Medical Leave of Absence Request form to Human Resources.

• Provide a copy of the employee’s military orders.
What Do Departments 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.
Reporting Military Pay in Time and Labor

• Timekeeper must change employee’s schedule to a 5/40 work week.

• Departments report eligible employees by reporting military time using the time reporting code MIL.
Military Pay & Paystub

- Military time (MIL) appears on the paystub advice as non-worked time (NWT).

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<table>
<thead>
<tr>
<th>Code Description</th>
<th>Current Rate</th>
<th>Current Hours</th>
<th>Current Earnings</th>
<th>YTD Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>NWT Non Worked Time</td>
<td>30.317</td>
<td>64.00</td>
<td>1,940.29</td>
<td>4,930.17</td>
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<tr>
<td>MLA Military Leave Reenlist</td>
<td>76.00</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>FLX Flexible Benefit</td>
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<td></td>
<td>338.00</td>
<td>3,700.00</td>
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<tr>
<td>SCK Sick</td>
<td>0.00</td>
<td></td>
<td>287.49</td>
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<tr>
<td>HLX Holiday Worked (No Retirement)</td>
<td>0.00</td>
<td></td>
<td>1,143.15</td>
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<tr>
<td>HOL Holiday</td>
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<td></td>
<td>459.98</td>
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<td>COT County Overtime</td>
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<td>1,223.29</td>
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<tr>
<td>OVT Overtime</td>
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<td>301.87</td>
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<tr>
<td>REG Regular</td>
<td>0.00</td>
<td></td>
<td>14,876.55</td>
<td></td>
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<tr>
<td>UNA Uniform Allowance</td>
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<td></td>
<td>150.90</td>
<td></td>
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<tr>
<td>VAC Vacation</td>
<td>0.00</td>
<td></td>
<td>2,183.55</td>
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</tbody>
</table>
```
Holiday Pay for Military Pay

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

• Time & Labor Report (Report Time By TRC Report) RVTL006N.

• You can access the report by using the following path: Home > Administer Workforce > Capture Time and Labor > Reports > Reported Time by TRC Report

• Dates prompts are required
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
Reporting 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 Departments Send to HR and ACO Payroll?

• Approved Non-Medical Leave of Absence (LOA) Request 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?

• Non-Medical Leave of Absence Request form (LOA)
  – Is the form completely filled out?
  – Has the request been approved by the Department Head?
# NON-MEDICAL LOA REQUEST

**County of Riverside**

**Non-Medical Leave of Absence Request**

**For Military, Personal and Educational Leave Only**

## SECTION A. TO BE COMPLETED BY EMPLOYEE

**Employee Name**

**Emp #**

**Department**

**Date of Hire**

**Last Day Worked**

**Job Title**

**Contact Address**

**Contact Phone #**

### TYPE OF REQUEST

- [ ] NEW
- [ ] Extension

**Leave Dates:**

- [ ] MILITARY LEAVE — Employee Request (a copy of the military orders must be attached)
- [ ] Military Leave — Spouse Requesting Registered Domestic Partner
- [ ] In cases of the U.S. military, verifying spouse/partner
- [ ] Leave requests from employment must be attached.
- [ ] Personal Leave
- [ ] Educational Leave

**Please explain below and attach relevant documentation:**

## SECTION B. TO BE COMPLETED BY DEPARTMENT

**Employee’s Signature**

**Date**

**Leaves Received (Office/HR):**

- [ ] APPROVED
- [ ] APPROVED WITH MODIFICATION
- [ ] NOT APPROVED

**Leaves Exceeding 10 Days:**

- [ ] RECOMMEND
- [ ] RECOMMEND APPROVAL
- [ ] DO NOT RECOMMEND

**Recons (Human Resources):**

- [ ] APPROVAL
- [ ] APPROVAL WITH MODIFICATION

**Explain briefly below:**

**Explanation:**

**Department Head/Designee Signature**

**Date**

## SECTION C. TO BE COMPLETED BY HUMAN RESOURCES

**Comments:**

- [ ] APPROVED
- [ ] APPROVED WITH MODIFICATION
- [ ] NOT APPROVED

**Explanation:**

**Human Resources Department/Designee Signature**

**Date**

_Last Revised: 6/13/09_

_Audit Auditor (Acting/Assistant):_
What is ACO Payroll Looking For?

• Military orders
  – Will the employee be on active duty or ordered duty?
  – Active and ordered duty dates
Military Orders
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

<table>
<thead>
<tr>
<th>ENTITLEMENTS</th>
<th>DEDUCTIONS</th>
<th>ALLOCATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Remarks:**

- YTD Entitle: 15475.45
- YTD Debit: 7715.48

**Note:**

- Active Duty Pay for Total: $X
- Subtotal: $X
- Federal Income Tax: $X
- Social Security: $X
- Medicare: $X

**Total:** $X

**Additional Information:**

- **Pay Period:** 01/01/2023 - 01/31/2023
- **Leave Earned:** 10 Days
- **Leave Used:** 5 Days
- **Balance:** 5 Days

**Other Notes:**

- **Memo:**
  - “Activity was recorded for the period from 01/01/2023 to 01/31/2023.”
- **Important:**
  - Notify your bank of any changes in your personal information.
  - Review your account statements monthly for accuracy.

**Contact Information:**

- **Auditor:** 123 Main St, Riverside, CA 92501
- **Phone:** (123) 456-7890
- **Email:** auditor@riverside.gov
Who Keys what?

- **Employee Services:**
  - Keys leave into PeopleSoft HRMS

- **Department:**
  - Keys military leave accrual (MLA) into Time and Labor (starting with the 31st day)
  - 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 x 2 = $3243.30 /month
  - $3243.30 x 12 = $38919.60 /year
  - 2080 / $38919.60 = $18.71 /hour
  - $18.71 x 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 x 14 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.
Benefits

• Employees are eligible to continue health coverage throughout the military leave
  – The initial 30 days - covered by the pre-payment of premiums.
  – After 30 days - while receiving Military Differential Pay, employees continue to receive Flexible Benefit Credits and pay the balance of any premiums

• For all other Benefit questions, consult HR.
Extended Orders

• What does Human Resources need?
  – Nothing!

• What does ACO payroll need?
  – Updated military orders
  – Current LES
When the Employee Returns

• Complete a “Return From Leave” form and forward to Human Resources
When the Employee Returns

• Forward a copy of the “Return From Leave” form to ACO Payroll
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