



Volume 3, Issue 1

November 2011

PAYROLL SERVICES Newsletter

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2011 ELECTRONIC W-2's

Effective with tax year 2009, UCF began offering employees the option of receiving their annual federal W-2 forms electronically or in printed hard copy. The speed and efficiency of the electronic W-2s allows those that opt for electronic delivery to securely receive their electronic W-2 earlier than they would receive the W-2 on paper through the myUCF Portal. If you consent to receive eW-2 through the myUCF Portal, you will receive an email notification when it is ready for viewing/printing through Employee Self Service. If you elect to receive your W-2 on paper, you will receive your W-2 postmarked by January 31, 2012.

Read on for more information on how to receive your W-2 electronically.

Consenting to Electronic W-2

So you want to receive your W-2 as soon as possible without worrying about delays— complete the consent to receive your W-2 electronically via the myUCF portal. Consent must be received no later than January 8, 2012.

Once consent is received, it will carry over for future tax years unless consent is withdrawn.

In order to indicate your consent:

Log into the myUCF Portal <https://my.ucf.edu/>

Click on Employee Self Service

Click on Payroll and Compensation

Click on W-2/W-2c Consent

Check the box to “indicate your consent”

Click on Submit, re-enter your password, click continue

If you have questions regarding consenting, please contact Payroll Services at payroll@ucf.edu.

**HAPPY HOLIDAYS FROM THE
PAYROLL TEAM**

Social Security Tax Wage Base

The Social Security Administration announced on October 19, 2011, that the 2012 social security base will be \$110,100, up from \$106,800 in 2010. 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.

The FICA tax rate, which is currently the combined social security tax rate of 4.20% and the Medicare tax rate of 1.45%, is slated to expire 12/31/11 and will return to the original rates which were 6.20% social security tax and 1.45% medicare tax for a total of 7.65% in 2012. The maximum social security tax employees and employers will each pay in 2012 is \$6,826.20.

There are bills currently being considered in Congress that may change this.

Florida Minimum Wage Increases

The Florida Minimum wage, currently \$7.31, will increase to \$7.67 per hour effective January 1, 2012. Current employees whose hourly rate of pay is less than \$7.67 will be programmatically updated in December. Departments who hire employees with a date of hire of 01/01/12 or later, need to submit an ePAF with the new rate of pay as of the ePAF deadline of 12/15/2011 for PPE 01/06/12. Please contact Records regarding ePAF.

Payroll Processing Dates

Please note the following deadlines affecting the PPE 12/22/11 payroll:

- 12/14/2011 = APPS forms and Direct Deposit forms due in HR
- 12/15/2011 = Off-Cycles due in HR by 3:00 PM (PPE 12/8 hours only)
- 12/16/2011 = Salary Supplements, and Retroactive Payment requests due in HR by 10:00 AM
- 12/20/2011 = The Payroll Window will close at 2:00 PM

Deadlines affecting the PPE 01/05/12 payroll:

- 12/15/2011 = ePAFs due in HR
- 12/22/2011 = APPS forms and Direct Deposit forms due in HR
- 12/23/2011 = The Payroll Window will open at 8:00 AM

Processing and approving the payroll is essential for each department, therefore, we urge department heads to ensure that adequate staff is available to complete the payroll before the break. Since payroll processors may update the PeopleSoft Timesheet page at any time after 12/14/2011, processors and authorizers are encouraged to process their payroll as early as reasonably possible.

Please note that any employee who is not in pay status (working or using leave) the working day before the holiday break, may not be paid for the holiday or paid leave days. Departments are required to enter LWO for affected employees on the holiday/paid leave days if an employee is not in pay status on 12/23/11.

What is Taxable Gross?

“Taxable Gross” is the amount of earnings and benefits you have received that are subject to taxation. Your taxable gross can be less than your total gross if you take advantage of any pre-tax benefits such as health insurance, retirement, medical reimbursement, dental, disability, and dependent daycare reimbursement. The amounts deducted from your paychecks for those benefits reduce your taxable income. The figure that appears in Box 1 of your W-2 is your federal taxable gross. This figure is your yearly income less all reductions from your pay (retirement, health, dental, etc). Social Security and Medicare Taxable Wages found in W-2 boxes 3 and 5 will differ from the Box 1 figures in the amount of retirement withheld for the year. Retirement deductions do not reduce taxable income for Social Security and Medicare taxation.

If you have any questions about your W-2, please contact Payroll Services at payroll@ucf.edu.

The Payroll Team can only provide answers to questions about the information on the W-2. We cannot provide advice for completing tax returns. You should consult a professional tax advisor if you require additional assistance about filing.

Do It Yourself with Employee Self Service

Do you need a copy of one of your paychecks? Do you need to update your direct deposit or W-4 information? This and much more is now as simple as logging on to the myUCF portal and selecting Employee Self Service. In Employee Self Service, UCF employees can now:

- View and print their paycheck
- Change their direct deposit banking information
- Update their W-4 tax information
- Consent to receive electronic W-2 for tax years 2009 thru 2011
- Request a duplicate W-2 for the years 2004 through 2010

Any changes that employees make to their direct deposit and W-4 through Employee Self Service are processed in the payroll system in real-time and do not require any forms to be completed. An email will automatically be sent to notify employees that their request to make a change was successful.

The Employee Self Service User Guide, which was created to assist employees with using the functionality that is available on the Employee Self Service menu, is available on the Human Resources Website at http://hr.ucf.edu/web/forms/hris/HREESS_Guide.pdf.

If you have questions regarding using Employee Self Service, please contact HR Information Systems at hris@ucf.edu.

International Employees Tax Treaty Expiration

Tax treaties expire at the end of each calendar year. If you qualify for federal tax exemption again in 2012, you will need to sign new tax treaty documents in the International Services Center (ISC) by the pay period ending 12/08/11. ISC will send reminder notifications with specific instructions to employees who qualify for federal withholding tax exemption for the year 2012.

Mailing Address Updates for W-2 and 1042-S Documents

As the end of the year approaches, Payroll Services is preparing to distribute W-2 and 1042S tax forms for the tax year 2011. If an employee has not consented to electronic W-2 or will be receiving a 1042S tax form, it is extremely important they have an accurate mailing address on file with Human Resources. To ensure that their Mailing address is accurate, employees should:

- Log into the myUCF Portal – <https://my.ucf.edu>
- Enter PID
- Enter myUCF password
- Click on Employee Self Service
- Click on View Personal Information
- Review accuracy of Mailing address

Employees may update their address via:

- Personal Data Sheet– Deadline is by 12/01/11
- Employee Self Service -Deadline is by 01/08/12

International employees who have an F-1 or J-1 visa must complete an address change form with the International Services Center by December 15, 2011.

W-4 Status Changes for 2012

IRS regulations require employers to remind employees to file an amended Form W-4 if their filing status, exemption allowances or exempt status has changed since their last filing of Form W-4. This notice must be provided by December 1st of each year. A new W-4 is not required if the employee status does not change.

W-4 Exempt Status Expires February 16, 2012

For employees who claimed “Exempt” status on their W-4 for 2011, the exempt status will expire on February 16, 2012. In order to maintain their exempt status, eligible employees must complete a new Form W-4 (2012). The form will be available on the Human Resources website under Payroll Services, Forms, W-4 (when updated by the IRS). For more information, please visit <http://www.irs.gov/pub/irs-pdf/fw4.pdf>

Annual Leave Year-End Maximums

Annual leave in excess of the year-end maximum allowed that is not used by **December 23, 2011 (due to holidays and paid leave days between 12/26/11 and 12/30/11)**, will be converted to Sick Leave effective January 5, 2012. The rollover and conversion will be reflected on the affected employees’ Leave and Pay Exceptions Report for the PPE 1/19/12.

*Note- there will be no retroactive adjustments.

* Executive Service	480 hours
* A&P/12 Month Faculty & USPS Exempt	352 hours
* USPS Non-Exempt	240 hours

Cell Phone Allowance Renewals

Reminder: Cell Phone Allowances expire as of the PPE 12/22/11. If you are currently receiving a cell phone allowance, it will not be continued for the calendar year 2012, unless you take action. You will need to update the Cell Phone Allowance Form and secure the necessary signatures. These forms are due in HR no later than November 14, 2011 in order to ensure that the payments continue without interruption on the payday 01/13/12. Please make sure you note at the top of the form "2012 Renewal". Forms received in HR after the deadline will not be eligible for retroactive allowance.

Please note the Internal Revenue Service has issued new guidance on cell phones which addresses non-compensatory business reasons for which an employee may receive a reimbursement. The IRS no longer considers cell phones to be listed property. The recordkeeping requirements have changed, and personal use will be considered de minimis and not taxable to you.

Due to these changes, the Cell Phone Allowance Form has been revised as follows:

- 1) Employees must check the appropriate box(es) indicating that the employer needs to contact the employee at all times for work-related issues, and/or that the employer requires the employee be available to speak with customers at times when the employee is away from the office or at times outside the employee's normal work schedule.
- 2) The Tax Adder of 30% has been removed. Phones issued for non-compensatory business reasons are non-taxable.

Cellular Telephone Acquisition and Use policy, 4-009.1

<http://policies.ucf.edu/documents/4-009.1cellulartelephoneacquisitionandusefinal7-28-08.pdf>

Cell Phone Allowance Request Form

http://www.hr.ucf.edu/web/forms/payroll/Cell_Phone_Allowance_Reg_Form_for_2012.xls

2012 Federal Withholding Tax Notice

Federal withholding tax amounts deducted from your paycheck are calculated using the IRS Tax Table 7 (Annual Payroll Period) found in Publication 15, Circular E, Employer's Tax Guide 2011. Many of the tax cuts and credits enacted in previous years are set to expire December 31, 2011. Since Congress has not extended any of the tax cut provisions which are expiring the withholding tables will be adjusted to pre-tax cut levels and your paycheck will reflect larger federal tax withholdings beginning with paydates in 2012.

Please review what you have claimed on your Form W-4 (Employee's Withholding Allowance Certificate) by going through the myUCF Portal (www.my.ucf.edu). You can click on Employee Self Service > Payroll and Compensation > W-4 Tax Information to make changes to the information that will best work for your personal situation. As a reminder, Payroll Services cannot offer tax advice. If you have tax related questions, you should seek professional assistance from a tax professional.

It is important to note that if and when Congress passes any new tax cut provisions which are signed into law there will be another new tax withholding table which will reflect those tax cuts and could result in reduced withholding at some later date in 2012.

UCF Payroll Services

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<http://www.hr.ucf.edu/web/payroll/index.shtml>

2011 Holidays

UCF will observe the following paid holidays through the end of 2011:

Thanksgiving Day	Thursday, November 24
Day after Thanksgiving	Friday, November 25
Christmas	Monday, December 26

2011 Paid Leave Days

UCF will be closed Tuesday, December 27 through Thursday, December 30

2012 Holidays

New Year's Day	Monday, January 2
Martin Luther King Day	Monday, January 16

UCF regulations require employees to be at work or on approved leave with pay the normal workday prior to a holiday or paid leave day for at least 50% of the day in order to be paid for the holiday/paid leave day(s).

Full-time employees will receive a maximum of 8 hours for each holiday, regardless of the days or hours which constitute their workweek. Part-time employees receive prorated holiday hours.

If you have questions regarding paid holidays, please contact Payroll Services at payroll@ucf.edu.

Payroll Services Team

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Disclaimer:

Every attempt has been made to ensure that the information contained herein is valid at the time of publication. Human Resources, however, disclaims all responsibility for the information and suggestions provided, and reserves the right to make changes, corrections and/or improvements at any time, and without notice. Questions or comments should be sent to payroll@ucf.edu