

Date: March 16, 2022
To: Agency Payroll, HR, and Accounting Staff
From: Mary Muellner, Director, Statewide Payroll Services
Subject: **Deferred Compensation Conversion and Optional Match Deadlines Reminder**

Employees that may be eligible for benefits related to their deferred compensation plans should be aware of the following approaching deadlines. This information is also posted for employees on the Announcements tile of the Self Service Portal.

Vacation conversions or optional deferred compensation matches **must be entered** in Self Service or SEMA4 **no later** than the dates listed below for Fiscal Year (FY) 2022. (For example, a deferred compensation match entered on 6/8/2022 in Self Service or SEMA4 will be for FY 2023.)

NOTE: Some contracts or plans have an automatic deferred compensation match, where the match occurs on a dollar for dollar basis as deductions are taken. While other contracts or plans require the employee to select the deferred compensation match when other options exist.

DATE	DEADLINE
6/7/2022	Last pay period to process a deferred compensation match for FY 2022.
6/8/2022	First day to select a deferred compensation match for FY 2023 .
6/21/2022	Last pay period to process vacation conversion for FY 2022.
7/5/2022	This is the split pay period. <ul style="list-style-type: none"> Vacation leave conversion cannot be processed on the split pay period of any year. Compensatory time conversion may be processed on the split pay period. Compensatory time conversions with effective dates of June 22 - 30 will apply to FY 2022, and those with effective dates of July 1 - 5 will apply to FY 2023. (In Self Service, the effective date is the date of entry.)
7/6/2022	First day to select a vacation conversion for FY 2023 .

Taxes:

Most employees are subject to FICA, Medicare, and retirement on a leave conversion and FICA and Medicare on an employer match.

- A leave conversion generally increases the amount subject to FICA, Medicare, and retirement. (Retirement deductions are only taken on the first 40 hours of vacation and/or comp time converted in a fiscal year.)
- An employer match generally increases the amount subject to FICA and Medicare.

For additional information, please refer to the bulletin dated May 27, 2021, [Deferred Compensation Conversion and Match](#).

If employees have questions:

- About how a conversion or match will affect their paycheck, the Net Pay Calculator allows “what if” calculations and can assist in answering employee questions. To find the Net Pay Calculator, go to [Calculators](#).
- Employees should contact their HR/Payroll office. Contact information in Self Service is found under **Need Assistance? Select Employee Contacts**.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF