

Self Service Deferred Compensation Conversion/Match Option

Contents

Introduction.....	1
Eligibility	2
Dates and Timing	2
Access the Deferred Comp Conv/Mtch Option Page	3
Add a Deferred Compensation Option	4
Cancel a Deferred Compensation Option	6
Problems and Solutions.....	7

Introduction

If eligible, you can select a vacation conversion or a deferred compensation match once per fiscal year. Some employees have the option of converting compensatory time to deferred compensation. For most employees, these transactions can all be entered in Self Service where the data is secured by your user ID and password. After signing in as you do to view your paystub, you can select a deferred compensation option or cancel a previously entered option (if it has not been processed) on the Deferred Comp Conv/Mtch Option page. (When the Cancel Conversion? check box is no longer available, the record has been processed.) Information you enter on this page is used to process a deferred compensation option that will appear on your paycheck.

You are not required to enter a deferred compensation option on the Deferred Comp Conv/Mtch Option page. You may continue to submit the Selection of Deferred Compensation Option form to your agency payroll or HR office.

If you are a MnSCU faculty member or Excluded Administrator, a Legislative Coordinating Commission employee or any other employee whose leave is not stored on the SEMA4 system, you must continue to submit a Selection of Deferred Compensation Option form to your agency payroll or HR office for entry.

If your leave is based on calendar year instead of fiscal year, such as employees in the Attorney General's Office, you need to think "calendar year" when you see "fiscal year" in these instructions.

Please note:

1. Some bargaining agreements or compensation plans allow a deferred compensation **option**. Employees must select either vacation conversion or deferred compensation match **each fiscal year** to receive this benefit. In addition, to receive the match they must have a current deferred compensation deduction or had one during the fiscal year.
2. Other bargaining agreements or compensation plans do not provide an option, but do provide for an **automatic** deferred compensation match to employees who have a current deferred compensation deduction or had one during the fiscal year. Employees covered by these bargaining agreements or compensation plans **will not use** the Deferred Comp Conv/Mtch Option page.
3. To receive a vacation conversion, employees are not required to have a deferred compensation deduction set up. Their vacation conversion will be processed and invested in a fund designated by MSRS unless they have directed otherwise. Employees without a current deferred compensation deduction should contact your savings plan administrator regarding directing your vacation conversion to the desired fund or account.

Eligibility

A text field at the top of the Deferred Comp Conv/Mtch Option page displays a message indicating your eligibility information. The options that you can select from are listed by **Conversion Type** – Vacation (1), Deferred Comp Match (2), or Comp Time (3). Your salary authority displays at the top of the page. (Salary authority represents the bargaining agreement or compensation plan that covers the terms and conditions of employment.) The maximum number of vacation hours that can be converted (limited by your salary authority) displays in the **Maximum Hours** box, and the number of days employees must be in a salary authority before qualifying for an option displays in the **Wait Days** box. This information is based on the salary authority in effect for the fiscal year and Empl Rcd#.

It is best to review your bargaining agreement or compensation plan if you have questions about eligibility. You may be ineligible if:

- Your bargaining agreement or compensation plan does not allow the deferred compensation option.
- Your bargaining agreement or compensation plan allows the deferred compensation option only after you have been in the bargaining unit for a specified period of time, usually one year.

Dates and Timing

Each deferred compensation transaction is assigned an effective date that is the date you entered the transaction. If you want a transaction to be effective on a future date, enter the transaction on that date or submit forms noting that date and have your agency payroll or HR staff enter the transaction. The lower portion of the Deferred Comp Conv/Mtch Option page displays historical transactions and can be used to cancel transactions not yet processed. (When the Cancel Conversion? check box is no longer available, the record has been processed.) The transactions that display were either entered by you or by payroll or HR staff in your agency.

Deferred compensation options must be entered by Tuesday, the pay period end date, to be processed on the next paycheck. This schedule may be adjusted due to holidays.

Vacation conversions cannot be processed in a pay period that begins in June and ends in July. If you attempt to enter a vacation conversion during this pay period, you will receive an error message. Deferred compensation matches and comp time conversions are processed every pay period of the year. (Note: When entering a transaction, the fiscal year to which a conversion or match applies is displayed in the Fiscal Year field in the upper-right corner of the Deferred Comp Conv/Mtch Option page.)

If you have an ongoing deferred compensation deduction, it is also taken in the pay period that the vacation or comp time conversion is processed.

Access the Deferred Comp Conv/Mtch Option Page

To access the **Deferred Comp Conv/Mtch Option** page, take the following steps.

ACTION	RESULT
1. Access the Self Service website http://www.state.mn.us/employee .	State of Minnesota Self Service sign in page displays.
2. Sign in with your user ID and password. New employees obtain sign-in instructions from your Human Resources or Payroll office.	Self Service page displays.
3. On the menu, select State of MN Self Service.	State of MN Self Service page displays.
4. Select <u>Other Payroll</u> .	Other Payroll displays.
5. Select <u>Deferred Comp Conv/Mtch</u> .	Deferred Comp Conv/Mtch displays.
6. Select <u>Deferred Comp Conv/Mtch Option</u> .	The Deferred Comp Conv/Mtch Option page displays if you have one active job. If you have more than one active job, the Select Employment Record Number page displays.
<p>7. If you have more than one active job, a list displays. Click the Go To  button beside the appropriate job.</p> <p>Why indicate a job? Different job records may have different salary authorities, and therefore, different options, eligibility requirements and pay rates. Pay rate is used to calculate vacation conversion. If you convert 40 hours at \$15/hour, the conversion is worth \$600. If you convert 40 hours at \$20/hour, it is worth \$800. If you are unsure about your job record choices, contact your payroll or HR office.</p>	<p>The Deferred Comp Conv/Mtch Option page displays.</p> <p>If you want to return to the list, click <u>Select Employment Record Number</u> link at the bottom of the page.</p>

Do *not* use the back and forward buttons on your browser; this could result in losing data you entered.
Navigate using the Menu.

Add a Deferred Compensation Option

To add a vacation conversion, deferred compensation match or comp time conversion, access the **Deferred Comp Conv/Mtch Option** page and follow the directions below. Notice that the **New Deferred Compensation Option** section is a blank form that you fill out to add a new option. Any options saved, as well as previous transactions, display in the **Employee Deferred Compensation Option** section below.

ACTION	RESULT
<p>1. In the New Deferred Compensation Option section, in the Conversion Type box, select one of the radio buttons:</p> <ul style="list-style-type: none"> ○ Vacation (1) ○ Deferred Comp Match (2) ○ Comp Time (3) <p>Note: A text field at the top of the page displays a message indicating which options are available to you.</p>	<p>Depending on the type selected, a field displays below the Conversion Type box:</p> <ul style="list-style-type: none"> • If you select Vacation or Comp Time, the Hours Converted field displays. • If you select Deferred Comp Match, the Add'l DC Match field displays the match amount you may receive.
<p>2. In the upper right-hand corner of the page, the Fiscal Year and Sal Auth (salary authority) fields default based on your job record. Your salary authority limits the conversion types you can select, the number of hours you can convert and if you can select the match option.</p> <p>The Maximum Hours box displays the maximum number of hours that employees in your salary authority can convert.</p> <p>The Wait Days box displays the number of days employees must be in the salary authority before being eligible for an option.</p>	
<p>3. If you selected Vacation or Comp Time, enter the number of hours you are converting in the Hours Converted field. The minimum is one hour – the maximum is either the number that appears in the Maximum Hours box or your leave balance, whichever is less.</p>	
<p>4. If you selected Deferred Comp Match, the Add'l DC Match field displays the match amount you may receive.</p>	
<p>5. Read the statement at the bottom of the page. Click the check box beside the statement to indicate that you read it.</p>	<p>A checkmark displays in the check box. The Save  button becomes available.</p>

ACTION	RESULT
<p>6. Click the Save  button.</p> <p>While saving, the system performs edits and displays messages if problems are found. Some edits include:</p> <ul style="list-style-type: none"> • Checking your leave balance to ensure there are sufficient hours to use for a conversion. • Checking the number of vacation hours used last fiscal year to ensure that you convert no more than one hour for each three hours used, as required by some bargaining agreements or compensation plans. 	<ul style="list-style-type: none"> • The word Saved displays briefly in the upper-right corner of the page when the save is complete. • Fields in the New Deferred Compensation Option box become blank. • The new transaction displays in the Employee Deferred Compensation Option box.
<p>7. Review the transaction just added, which now appears in the Employee Deferred Compensation Option section. The information includes:</p> <ul style="list-style-type: none"> • Fiscal Year: The fiscal year of the transaction. • Empl Rcd#: The employee job record of the transaction. • Date: The date the transaction was entered by an employee, or the effective date of a transaction entered by agency staff. • Type: The conversion type selected. • Hours: Number of hours being converted. (For type Def.Comp.Match, 0.00 hours will display.) • Earn Code: Defaults on some options and indicates the earn code used to process the transaction. • Process Date: The pay period end date during which the deferred compensation conversion or match was processed. • Reversal?: This box is checked if a paycheck including the transaction was reversed. If this happens, the transaction will automatically reprocess the next pay period. • Reversal Date: The reversal was processed on this date. • Cancel Conversion?: You check this box to cancel a transaction that has not been processed. • Cancel Date: The date the transaction is canceled fills in when the Cancel Conversion? box is checked. • Sal Auth: The salary authority in effect when the transaction was saved. 	

To Exit

ACTION	RESULT
<p>When you are finished with the Deferred Comp Conv/Mtch Option page, choose one of the following:</p> <ul style="list-style-type: none"> • To return to State of MN Self Service page: <ul style="list-style-type: none"> ○ Click the Home  link in the upper-right corner of the page. ○ On the menu, click State of MN Self Service. • To exit Self Service, click the Sign out  link in the upper-right corner of the page. 	<p>Self Service page displays.</p> <p>State of MN Self Service page displays</p> <p>State of Minnesota Self Service sign in page displays.</p>

Cancel a Deferred Compensation Option

Once a vacation conversion, comp time conversion or deferred compensation match transaction is saved, it cannot be modified. If it is incorrect, cancel it and enter a new transaction with the correct information. Three rules apply to canceling a transaction:

- A conversion or match can be canceled as long as it has not been processed. (When the Cancel Conversion? check box is no longer available, the record has been processed.)
- A canceled transaction and a new transaction cannot be assigned the same date. For example, if you enter a transaction on May 1, you can cancel it any time before it is processed, but you cannot enter a new transaction before May 2.
- If you have vacation and comp time conversions waiting to be processed that together total more than 40 hours, the system will not allow just one transaction to be canceled. Both transactions must be marked “canceled” and a new record must be added for each transaction you want processed.

To cancel a deferred compensation option that *has not yet been processed*, access the **Deferred Comp Conv/Mtch Option** page and follow the directions below.

ACTION	RESULT
1. Find the transaction you want to cancel.	
2. Look at the Cancel Conversion? check box. If it is available, you can cancel the transaction.	
3. Click the Cancel Conversion? check box.	A checkmark displays in the check box. Today's date displays in the Cancel Date field.
4. Click the Save  button.	The word Saved displays briefly in the upper-right corner of the page when the save is complete.
5. To add a correct conversion or match, enter the new transaction at least one day later than the date in the Cancel Date field of the canceled conversion or match. See the instructions on page 4.	

To Exit

ACTION	RESULT
<p>When you are finished with the Deferred Comp Conv/Mtch Option page, choose one of the following:</p> <ul style="list-style-type: none"> • To return to State of MN Self Service page: <ul style="list-style-type: none"> ○ Click the Home  link in the upper-right corner of the page. ○ On the menu, click State of MN Self Service. • To exit Self Service, click the Sign out  link in the upper-right corner of the page. 	<p>Self Service page displays.</p> <p>State of MN Self Service page displays</p> <p>State of Minnesota Self Service sign in page displays.</p>

Problems and Solutions

Use the following guide to resolve problems. For additional help, contact your agency payroll or HR office.

PROBLEM	SOLUTION
<p>I don't have a deferred compensation deduction set up. How do I set one up and where do I obtain information about the Minnesota State Deferred Compensation Plan?</p>	<p>You can set up a deferred compensation deduction on the Savings Plans page. From the Other Payroll page, click the Savings Plans link and then the Input Deferred Cmp/TSA Deductn link.</p> <p>You can obtain information about the Minnesota State Deferred Compensation Plan by going to its website. From the Other Payroll page, click the Savings Plans link and then the MN Deferred Comp Plan Website link.</p> <p>If you need assistance, contact your payroll or HR office.</p>
<p>A message displays saying you are not eligible for this benefit.</p>	<p>Check your bargaining agreement or compensation plan. If questions remain, contact your payroll or HR office to confirm your eligibility.</p>
<p>What is a fiscal year?</p>	<p>The state fiscal year is a 12-month period beginning July 1 and ending June 30. Fiscal years are numbered by the year in which they end, e.g., fiscal year 2006 begins 7/1/05 and ends 6/30/06.</p>
<p>Conversion or match information that I entered has disappeared.</p>	<p>You may not have saved the record. Enter it again and make sure to save. Saved transactions move to the lower section of the page. Click the View All View All link to see all the saved transactions.</p>
<p>Are conversions or matches subject to taxes and retirement?</p>	<p>Federal and state taxes are not withheld; FICA and Medicare taxes are withheld. Exception: If your annual earnings exceed the FICA maximum for the calendar year, FICA tax is not withheld. (Medicare has no maximum.)</p> <p>An employee's retirement plan determines whether retirement is taken on an amount. (Retirement deductions are only taken on the first 40 hours of vacation and/or comp time converted in a fiscal year.)</p> <p>The FICA, Medicare, or retirement owed on the conversion or match reduces your net pay for the pay period the conversion or match is processed.</p>
<p>I selected a deferred compensation match and saw the amount \$300.00 displayed on the Deferred Comp Conv/Mtch Option page. But I only received a \$50 match on my paycheck.</p>	<p>The match is given based on the amount of your deferred compensation deduction.</p> <ul style="list-style-type: none"> • If your deduction is \$50 per paycheck, you receive a \$50 match on each check until you have received \$300.00. • If deferred compensation deductions were taken on previous paychecks in the same fiscal year, you receive a match for the total of those deductions first, and then continue to receive a match of your current deduction until you have received \$300.00.
<p>The Save  button is not accessible to me.</p>	<p>You must read the statement at the bottom of the page and indicate that you have read it by clicking the check box below the pen .</p> <p>The Save  button will then become available.</p>