



Payroll & Preclaims

May 2021

Basics

(or trying to make it easier)

- Form 5D – Payroll Worksheet is for everyone
- Form 5C – Preclaim for Benefitted Employees
- Form 5M – Preclaim for Part Time Employees who pay into the retirement system

- My situation is different, why do we all have to use the same forms?
 - Forms are set-up for the most common situation – then adapted to fit other scenarios
 - It's not ideal, but is important when processing claims; having 84 – 100+ different versions would severely impact processing time

173 Hours?

(or keeping it simple)

- **Most Full-Time Benefitted Employees are paid on 173 hours each month**
 - This is effective after the first month of employment and as long as the employee is not on Leave Without Pay (LWoP)
- **Why?**
 - Simplicity! You don't have to recalculate taxes and withholdings every month
 - Employee knows exactly what their take home pay is each month
 - Employee knows exactly how much leave is accrued each month
 - Payroll can be run in advance of the last day of the month
 - Preclaim can be prepared and sent in prior to the end of the month
- **Some Employees (mostly part-time) are paid on actual hours worked each month**
 - Taxes and withholdings must be recalculated every month
 - Leave accrual must be calculated every month
 - Payroll must be run on the last working day or the first day of the following month
 - Preclaim cannot be prepared until after payroll is calculated

Completing the Payroll Worksheet

- Use the latest version
- Verify the following information is correct and complete:
 - Employee Name
 - Conservation District Name & Number
 - Payroll Period
 - Step-up is set to either “Y” or “N”
 - “Y” will auto calculate the necessary step-up contribution on line 10
 - Signed in blue ink by both the employee and chairman

- Formulas Make It Easy
 - Change them only if necessary
 - Double check the calculations

OCC 5D (01/2021)		
DISTRICT EMPLOYEE PAYROLL WORKSHEET		
		EMPLOYEE
Employee Name		
Conservation District Name & Number		
Period Beginning & Ending		
Participates in Step-up? ("Y" for yes, "N" for no)		
	OCC	Totals
	Reimbursable	Local
	(OCC + Local)	
1	Monthly / Hourly Rate of Pay	\$0.00
2	Total Hours in Pay Status	0.00
3	Total Gross Earnings	\$0.00
	(Line 1 x Line 2)	\$0.00

Completing the Payroll Worksheet

Confirmation of Benefits (COB) Information

Positive **EBA amount**? Lines 4 and 18 in the OCC column should match

Total Benefits Selected:	\$816.44
Benefit Allowance:	\$892.24
(EBA) Excess Benefit Allowance:	\$75.80

Negative **EBA amount**? Lines 5 and 15 in the OCC column should match

Total Benefits Selected:	\$1,455.70
Benefit Allowance:	\$1,312.75
(EBA) Excess Benefit Allowance:	(\$142.95)

Total Other Items Selected amount goes on line 16

Total Other Items Selected:	\$2.60
-----------------------------	--------

		Calendar Year 2021 Confirmation of Benefits	
Rose	Diane	Redbud Conservation District	
		Premium Conversion <input checked="" type="checkbox"/>	Benefit Effective Date: 4/1/2021
		Basic	Options
Health:		\$487.36	\$251.34
Dental:		\$36.18	\$27.00
Basic Life:		\$4.20	
Disability:		\$10.36	
Supp Life / Age Rel Life (first 20K):			\$0.00
Vision:			\$0.00
Specified Event / Intensive Care:			\$0.00
Cancer:			\$0.00
Accident Policy:			\$0.00
Medical Reimbursement Account:			\$0.00
Dependent Care Reimbursement Account:			\$0.00
		Total Pre-Tax Amount:	(\$75.80)
		Total Benefits Selected:	\$816.44
		Benefit Allowance:	\$892.24
		(EBA) Excess Benefit Allowance:	\$75.80

Dependent Life:			\$2.60
Age Related Life (above 20K):			\$0.00
AFLAC Life / Disability:			\$0.00
		Total Other Items Selected:	\$2.60

Completing the Payroll Worksheet

- Federal & State Withholding (lines 13 & 14)
 - ALWAYS round to the nearest whole dollar
 - Figure withholdings on line 12 of the Totals column but input the withholding amount in the OCC column – Save the formula!

12	Pre Tax Gross Earnings <i>(Line 3+Line 4+Line 5+Line 9+Line 10+Line 11)</i>	\$965.00	\$96.50	\$1,061.50
13	Federal Withholding <i>(figure on line 12)</i>	\$0.00	\$0.00	\$0.00
14	State Withholding <i>(figure on line 12)</i>	\$0.00	\$0.00	\$0.00

- Participate in Step-Up?
 - If yes, enter a “Y” in the “Participates in Step-Up?” cell at the top of the page
 - Worksheet will calculate the Step-Up Contribution on both OCC & Local funds

Employee Name	
Conservation District Name & Number	
Period Beginning & Ending	
Participates in Step-up? ("Y" for yes, "N" for no)	Y

Completing the Payroll Worksheet

Additional Payroll Worksheets

An employee's regular monthly payroll worksheet should include your standard OCC pay and local pay, if applicable

If you receive one-time pay increases (APDI, CARES, Christmas Bonus, etc), complete a second worksheet for the increase you do have to pay retirement and taxes on these pay increases

- Send the form(s) in with your claim and include it on the preclaim for the month it is paid

Underreporting your earnings to OPERS can influence your retirement!

Longevity Payments

- Complete a payroll worksheet for longevity payment
 - Longevity amount is the rate of pay
 - Hours in pay status = 1.00
 - You do have to pay retirement and taxes on longevity
 - Send the form and the longevity letter from the board in with your claim and include the longevity on the preclaim for the month it is paid

	OCC
	Reimbursable
1 Monthly / Hourly Rate of Pay	\$1,600.00
2 Total Hours in Pay Status	1.00
3 Total Gross Earnings (Line 1 x Line 2)	\$1,600.00

Completing the Payroll Worksheet

Remember:

- ❖ Most part-time employees do NOT pay into the retirement system.
 - ❖ Type \$0.00 into line 9 (both OCC & Local columns) of the worksheet to override the formula and prevent the worksheet from calculating and deducting retirement
- ❖ New Employee?
 - ❖ First payroll will be calculated on actual hours worked
 - ❖ No benefits or retirement will be in effect – make sure the worksheet does not calculate and deduct retirement
 - ❖ **Exception** – if an employee formerly contributed to OPERS, they will pay into retirement the first month

Preclaim What?

- ❖ Used to remit EBA overages, other benefit costs, and retirement to the Commission in advance of payroll.
- ❖ This is required to allow the Commission to pay those amounts to the necessary agencies by the required due date.
- ❖ The Preclaim is completed after payroll is run but gets sent to the Commission before the payroll worksheet/reimbursement claim...so it's PRE-claim.

Completing the Pre-Claim

- Use the latest version
- Verify the following information is correct and complete:
 - Conservation District Name & Number
 - Payroll Month and Year is correct
 - Each required employee has 1 column & is reported on the proper form
 - Only one 5C and one 5M, if applicable, are being sent in each month*
 - Preclaims are a summary of earnings – OCC should not be receiving multiple forms for the same District for the same month
 - *NACD positions are an exception to this

- Formulas Make It Easy
 - Change them only if necessary
 - Double check the calculations

Hours Worked (173 hrs – full month):	
OCC Gross Earnings:	\$0.00
Local Earnings:	\$0.00
Total Gross Earnings:	\$0.00
Participate in Step Up: <small>Enter "Y" if participating, "N" if not participating.</small>	
Total Gross Earnings Retirement - Step Up:	\$0.00
Total Gross Earnings Retirement (3.5 Percent):	\$0.00

Hours Worked:	
OCC Gross Earnings:	\$0.00
Local Earnings:	\$0.00
Total Gross Earnings:	\$0.00
Participate in Step Up: <small>Enter "Y" if participating, enter "N" if not participating.</small>	
Total Gross Earnings Retirement - Step Up:	\$0.00
Total Gross Earnings Retirement (3.5 Percent):	\$0.00

Completing the Pre-Claim

An employee's payroll worksheet provides nearly all the information needed for completing the pre-claim.

Payroll Worksheet Field		Preclaim Form Field
Total Hours in Pay Status* (Total Column Line 2)	matches	Hours Worked
Total Gross Earnings (OCC Column Line 3)	matches	OCC Gross Earnings
Total Gross Earnings (Local Column Line 3) <i>*Remember to add together ALL payroll worksheets for the employee for the month, except longevity</i>	matches	Local Earnings
Total Gross Earnings* (Total Column Line 3)	matches	Total Gross Earnings*
Employee's Share of Retirement - Step Up* (Total Column Line 10) <i>*Remember to set the "Participate in Step-Up" field to "Y" if participating</i>	matches	Total Gross Earnings Retirement - Step Up*
Employee's Share of Retirement* (Total Column Line 9)	matches	Total Gross Earnings Retirement (3.5 Percent)*
EBA (OCC Column Line 15)	matches	EBA (Excess Benefit Allowance)
Total Other Items Selected (OCC Column Line 16)	matches	Total Other Items Selected

Items marked with an * are set-up to calculate within the form.

Total Retirement & Total 16.5 Percent Retirement (Local) are not on the Payroll Worksheet. Both these fields in the preclaim contain formulas and should calculate for you.

Completing the Pre-Claim

Additional Items to Remember

If an employee is receiving **longevity** during the month, be sure to enter the amount in the “Longevity Summary” portion of the form

LONGEVITY SUMMARY	
	1
Employee Name:	Diana Rose
Longevity Amount:	\$1,600.00
Longevity Retirement (3.5 Percent):	\$56.00
Step Up Longevity Retirement (2.91 Percent):	FALSE

The preclaim for **part-time employees** includes a “Reimbursement Claim Summary” that provides the amount that is claimable on the OSF-3

REIMBURSEMENT CLAIM SUMMARY	
	1
Employee Name:	Jack Bass
Total for OSF-3, if claiming from allocation:	\$16.50

New employees will not be included on the preclaim form the first month of their employment

Exception – unless they previously contributed to OPERS, then their retirement contribution will be reported

Pre-Claim Due Dates

- 5C – Preclaim for Benefitted Employees
 - No later than the last working day of the month if all employees being reported are 173-hour full-time
 - No later than the 10th of the following month if employees being reported are on actual hours worked
- 5M – Preclaim for Part-Time Employees Paying into Retirement
 - No later than the 10th of the following month

If you have preclaims that fall into a mix of the above categories, you may send one check and both preclaims at the same time as long as they are received by the 10th.

All Payroll & Preclaims are reviewed in January of each year.

If you have a change in payroll or tax situation any other time, we'll gladly answer questions, help you with completion, and review them again!



Questions?