

American Payroll Information Updates For Retroactive Pay Period 26 and Pay Period 01

Published by the Bureau of Administration on 1/28/19
Message #21674

This Notice contains information on retroactive pay for Pay Period (PP) 26 and Pay Period 01, including deductions, E&L statements, and other subsequent adjustments. Everyone's patience is greatly appreciated as we work to prioritize, clean up, and communicate all pay-related items impacted by the lapse in appropriations.

Retroactive Pay Period 26 (December 23 – January 5): Retroactive or back pay for Pay Period (PP) 26 for employees previously working under a lapse in appropriations was transmitted to Treasury's Fiscal Service over the weekend for disbursement with a value date of Monday, January 28. These funds should be in your bank account now. Individual Earning and Leave (E&L) Statements for retroactive PP 26 will be not be available on Employee Express. PP 26 E&L balances will be included in year-to-date balances in a forthcoming pay period.

Pay Period 01 (January 6 – 19): American pay for Pay Period 01 for all employees will be paid on Thursday, January 31, which is the regularly scheduled pay date for that pay period. Payment instructions to Treasury were held for additional days to provide additional flexibility due to the lapse in appropriations. Because of this, the date of the deposit or funds availability reflected by your bank may not be the same as you have seen in the past. Nevertheless, Pay Period 01 salary for all employees will be in accounts no later than the Department's regularly scheduled pay date. Everyone's pay period 01 E&L Statements should be available on Employee Express no later than Wednesday, January 30.

Deductions and Allowances for those working under lapse in appropriations (Chapter 2) for PP 26: Each lapse pay period has been calculated as an individual pay period and all taxes and any pay capping are incorporated on a pay period-by-pay period basis. Allowances and differentials accrued were included, as well. Allotments of pay that would have normally been slated for the lapsed pay period will execute as well.

In general, your PP 26 will look like any other single pay period gross to net salary payment. Deductions for Federal and state taxes, FEHB, FEGLI, and TSP will be taken out similar to other pay periods. The exception will be FSAFEDS, FEDVIP, and Long-term Care (LTC). Deductions for these benefits (per their guidance and billing method) for PP 26 for those under a lapse (Chapter 2) will be deducted in future pay periods. For example:

- **FSAFEDS** – For your FSAFEDS deductions, for each lapsed pay period, the per pay period deduction amount in a paid status will increase slightly by dividing the balance of their annual election over the remaining pay periods left in the plan year.
- **FEDVIP** – Deductions for FEDVIP, dental and vision coverage, will follow a "catch-up" model where your per pay period deduction amount will be "doubled" in a future pay period.
- **Long-Term Care (LTC)** – Deduction for your long-term care coverage will include an additional \$50 catch up deduction in a future pay period and continue when you are in pay status until you are caught up on your deductions.

In addition, new 2019 Federal tax withholding tables were introduced for PP 26. These new rate tables may impact your bi-weekly tax withholding for PP 26 and going forward.

Earnings & Leave Statements and Subsequent Adjustments: For individuals under a lapse in PP 26, no E&L statement will be available for that pay period. For any pay period where you have received pay on time, you will see an E&L statement for that pay period on Employee Express. For PP 26, the gross to net for the pay period is calculated by transposing Furlough ("FR") hours with Regular Duty ("RD"). With this, individuals may have concerns with balances such as leave and additional time and attendance (T&A) due.

- **Leave** – During the lapse, individuals working for entities that did not have available balances (Chapter 2) did not accrue leave as they normally would during periods of regular duty. This will be corrected now that the lapse is over. Donations to the Voluntary Leave Bank were also not addressed. In addition, applicable leave restoration will also be addressed. A data call will go out to Bureau Executive Directors to assist in leave restoration that was impacted by the overlap of the Excepted and Furlough time and PP 26 annual leave.
- **Time and Attendance** – T&A for individuals may be lacking full reporting of danger pay, overtime, compensatory time worked, and other categories. A data call will go out to timekeepers asking for updates to the T&A processed for Chapter 2 employees and future pay will be augmented with any amounts due to employees.

YTD balances will be updated on future E&L statements to reflect federal and state taxes, deduction balances, and other accruals. These updates may take a few pay periods to affect. Patience is appreciated as the efforts to update the balances accurately are completed. Notices will be provided as E&L balances have been corrected.

Other Agency LE Staff: LE pay for PP01 was disbursed from Charleston and Bangkok for this week's PP 01 pay date. For the 630 other agency LE staff that did not get paid for PP 26 and 01, CGFS has created supplement payment packages, including both missed payments, and is working to disburse Monday and Tuesday with an immediate value date and will follow up with individual posts should cashiering support be needed.

Again, we appreciate everyone's patience as we work to prioritize, clean up, and communicate all pay-related items impacted by the lapse in appropriations.