

Prepared by the Disbursing Office
This replaces Administrative Procedure A8.879
dated July 1996

A8.879
April 2006

A8.800 Disbursing/Accounts Payable and Payroll

p 1 of 11

A8.879 Post Death Payments

1. Purpose

To provide instructions for the processing of compensation due to the death of a University of Hawaii employee.

2. Definition

Post death payments are final payments of a deceased employee's compensation (e.g., regular pay, vacation pay, retroactive pay, overtime pay, etc.) payable to a designated beneficiary or estate.

3. Applicability

This instruction applies to University personnel processing post death payments for deceased employees.

4. Guidelines

a. Post death payments are processed for payment by the preparation of the "Authorization for Payment Form" (AFP), FMIS-2 (see APM A8.861). Post death payments are not processed through the payroll system. As such, any payroll check dated and issued after the date of death, must be returned to the Disbursing Office, Payroll Section for cancellation. The amount of the cancelled check will not be included in the W-2 of the deceased.

b. From the gross amount of earned compensation, deduction is made for retirement contribution (if the employee was in the contributory retirement plan). Deduction is also made for FICA and Medicare taxes (if applicable) if the

post death payment is being made in the same year that the death occurred.

- c. At the end of the calendar year in which the post death payment is made, a Form 1099-MISC will be issued by the Disbursing Office, Accounts Payable Section to report the gross amount of the compensation. Per IRS ruling, the 1099 includes the amounts issued to the beneficiary, the Director of Finance (for FICA and Medicare taxes), and the Employees' Retirement System (if applicable).

5. Procedures

- a. Upon official written notification of the death of an employee, the University of Hawaii, Disbursing Office, Payroll Section will initiate a post death payment for any compensation due the deceased employee's designated beneficiary or estate.
- b. The Disbursing Office, Payroll Section will notify the fiscal officer by a form letter (Attachment 1) and Net Pay Worksheet (Attachment 2) to prepare the following:
 - 1) "Authorization for Payment" FMIS-2, for the employee's designated beneficiary or estate (Attachment 3)
 - 2) "Authorization for Payment" FMIS-2, for the Director of Finance, State of Hawaii (for FICA and Medicare taxes, if applicable, Attachment 4)
 - 3) "Authorization for Payment" FMIS-2, for the Employees' Retirement System (if applicable, Attachment 5)
 - 4) "Authorization for Payment" FMIS-2, for the Employees' Union (if applicable see Attachment 6)
 - 5) "Special Check Distribution Request" FMIS-37 (Attachment 7)
- c. Fiscal officers are to send all forms to the Disbursing Office, Payroll Section. Upon review, manual checks will

be issued by the Disbursing Office, Accounts Payable Section.

- d. The Disbursing Office, Payroll Section will contact the fiscal officer to pick up the check for the designated beneficiary or estate. The fiscal officer will be responsible to forward the check.
- e. The Disbursing Office, Payroll Section will send the "Director of Finance" check to the Department of Accounting and General Services with the necessary adjustment forms for recordation of FICA earnings and contributions.
- f. The Disbursing Office, Payroll Section will send the check to the Employees' Retirement System for recordation of retirement contributions (if employee was in the contributory retirement plan).
- g. The Disbursing Office, Payroll Section will send a check to the union if statutory dues were assessed.

6. Responsibilities

- a. Colleges/departments must call Payroll immediately to notify them of the death of a University of Hawaii employee to remove them from the payroll and to notify Personnel to initiate the proper papers.
- b. The Disbursing Office, Payroll Section is responsible for the calculation of post death payments.
- c. Fiscal Officers and Program Manager (Approving Authority) who approve post death payments are responsible for compliance with applicable Federal and State laws, rules, regulations, and University policies and procedures.

7. Availability of Forms

The following PDF fillable forms are available on-line at:

www.fmo.hawaii.edu/fmis/formfair.html

FMIS-2 Authorization for Payment

FMIS-37 Special Check Distribution Request

Date:

To:

From: Karyn Yoshioka, Payroll Supervisor

Subject: Post Death Payment

The UH Payroll Office is initiating a "Post Death Payment" (copy of net pay worksheet enclosed for your information) for the following deceased employee.

Name:
SSN:
PR#/WD:
Reason for payment:

Please prepare an "Authorization for Payment Form" (FMIS-2) for the following (if checked):

_____ 1. Payee's Name:

Vendor Code:
Subcode: 2961
Amount:

_____ 2. Payee's Name: Director of Finance, State of Hawaii

Vendor Code: V0000254143
Subcode: 2961
Amount:

_____ 3. Payee's Name: Employees' Retirement System

Vendor Code: V0000077920
Subcode: 2961
Amount:

_____ 4. Payee (Union):

Vendor Code:
Subcode: 2961
Amount:

On each AFP, in the "Description" block, type the following:

A/P: Please type the following information on the check remittance advice.
Post Death Payment for (Reason for payment)
Deceased Employee's Name
Deceased Employee's SSN
Deceased Employee's Payroll No. and Warrant Distribution Code

Also prepare a "Special Check Distribution Request" (FMIS-37 for each AFP (see APM A8.879) to request special handling of the check as follows:

Contact: Karyn Yoshioka, UH Payroll Office
Phone: 956-7444

Retain copies for your files and send the originals to the UH Payroll Office. If you have any questions, please call at x67444.

2006 NET PAY WORKSHEET

Post Death Payment

NAME	DOE, John Sr	RET	1
SS NO.	<u>222-33-4444</u>	FICA	<u>A</u>
PAYROLL NO.	<u>F66</u>	MARITAL ST	<u>M</u>
WD CODE	<u>038</u>	*FED EX	<u>99</u>
DATE PAID		*STATE EX	<u>99</u>
	*(Exempt = 999)	EMPL BUS EXP	<u>0.00</u>
	**(Affects FICA Only)	**WAGES-IN-KIND	<u>0.00</u>

<u>GROSS SALARY</u>	2,306.00	PAY PD	<u>1</u>
SOCIAL SECURITY	142.97		
MEDICARE	33.44		
FEDERAL TAX	0.00		
STATE TAX	0.00		
RETIREMENT	179.87		
ADD'L RETIREMENT (AR)			
ANNUITY (AP)			
PTS DEFERRED COMP (DC 015)	0.00		
DEFERRED COMP (DC 001)			
***MEDICAL	<u>PCP</u>		
***PRESCRIPTION	<u>PCP</u>		
***VISION	<u>PCP</u>		
***ADULT DENTAL	<u>PCP</u>		
FLEX MED (FM)			
FLEX FEE (FA)			
PRE-TAX PARKING (TB)			
STATUTORY DUES (SD)			
CREDIT UNION (CU)			
AP FEE (AF)			
EMPLOYEE ORGANIZATION (EO)	13.99		
OTHER			
TOTAL DEDUCTIONS	370.27		
NET PAY	1,935.73		

***Indicate "PCP"
if appropriate

FMIS-2

CAMPUS: SW

DATE: 04 / 18 / 06
 (MM/DD/YY)

**UNIVERSITY OF HAWAII
 AUTHORIZATION FOR PAYMENT FORM**

DOCUMENT NUMBER
A 068414

PAYEE'S NAME (Last Name, First Name, Middle Initial) Smith, John Jr., Designated Beneficiary of Smith, John Sr., deceased		UH ID#	
PERMANENT ADDRESS: 1402 Lower Campus Rd. CITY: <u>Honolulu</u> STATE: <u>HI</u> ZIP CODE: <u>96822</u>		IF PAYMENT IS TO AN INDIVIDUAL, CHECK ONE OF THE FOLLOWING: <input type="checkbox"/> Regular Employee <input type="checkbox"/> Non-regular employee (SCOPIS) <input type="checkbox"/> Non-Employee	
DEPARTMENT Financial Management Pffice			

VOUCHER NO.	VENDOR CODE	ACCOUNT CODE	SUBCODE	TYPE	P/F/N	AMOUNT
	V0000678900	134316	2961	0 ↓	N	1,935.73
					TOTAL	\$ 1,935.73

DESCRIPTION OF GOODS/SERVICES AND REASONS FOR PAYMENT : (include pertinent information such as nature of payment, period covered, compensation, receipts/invoice numbers, etc.)

A/P: Please type the following information on the check remittance advice.
 Post death payment (Vacation Pay)
 Smith, John Sr., 222-33-4444
 F66-038

As contractually authorized, all the materials, supplies and services have been received in good order and condition.

_____ / ____ / ____ AUTHORIZED SIGNATURE OF	_____ / ____ / ____ DATE	_____ DEPARTMENT/UNIT	_____ TELEPHONE
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APPROVED BY: _____ 03 / 25 / 06
 APPROVING AUTHORITY DATE

_____ 03 / 26 / 06 068
 FISCAL OFFICER DATE F.O. CODE

CENTRAL OFFICE USE ONLY

SPECIAL CENTRAL OFFICE APPROVAL _____ / ____ / ____
 APPROVING AUTHORITY DATE

FMIS-2

CAMPUS: MA

DATE: 03 / 20 / 06
(MM/DD/YY)

**UNIVERSITY OF HAWAII
AUTHORIZATION FOR PAYMENT FORM**

DOCUMENT NUMBER A <u>003416</u>

PAYEE'S NAME (Last Name, First Name, Middle Initial) Employee's Retirement System					UNIT ID#	
PERMANENT ADDRESS: _____ CITY: _____ STATE: _____ ZIP CODE: _____					IF PAYMENT IS TO AN INDIVIDUAL, CHECK ONE OF THE FOLLOWING: <input type="checkbox"/> Regular Employee <input type="checkbox"/> Non-regular employee (SCOPIS) <input type="checkbox"/> Non-Employee	
DEPARTMENT Financial Management Office						
VOUCHER NO.	VENDOR CODE	ACCOUNT CODE	SUBCODE	TYPE	P/F/N	AMOUNT
	V000077920	134316	2961	0 ↓	V	178.00
					TOTAL	\$ 178.00
DESCRIPTION OF GOODS/SERVICES AND REASONS FOR PAYMENT : (include pertinent information such as nature of payment, period covered, compensation, receipts/invoice numbers, etc.) A/P: Please type the following information on the check remittance advice. Post death payment (Vacation Pay) Smith, John Sr., 222-33-4444 F66-038						
As contractually authorized, all the materials, supplies and services have been received in good order and condition.						
_____ AUTHORIZED SIGNATURE OF		_____ DATE		_____ DEPARTMENT/UNIT		_____ TELEPHONE

APPROVED BY: _____ 03 / 25 / 06
APPROVING AUTHORITY DATE

_____ 03 / 26 / 06 068
FISCAL OFFICER DATE F.O. CODE

CENTRAL OFFICE USE ONLY

SPECIAL CENTRAL OFFICE APPROVAL _____ / /
APPROVING AUTHORITY DATE

Origination Date: 3/27/95

Revision Date: 09/08/05

FMIS-37

CAMPUS: SW

UNIVERSITY OF HAWAII
SPECIAL CHECK DISTRIBUTION REQUEST

DATE: 04 / 07 / 06
(MM/DD/YY)

DOCUMENT NUMBER

VENDOR NAME
SEE BELOW

AMOUNT
\$ _____

Enclosure

(NOTE: Staple FMIS-37 in front of copy of enclosure(s). Staple the PO, invoices, etc. together. Then staple the FMIS-37 & enclosure set in front of the PO, invoice, etc. set.)

Special Handle

Contact: KARYN YOSHIOKA, UH PAYROLL OFFICE

Phone: X6-7444

(NOTES: 1. Special Handle checks will be held in the department's daily pick-up envelope at Clerical Section window. 2. Staple FMIS-37 in front of PO, invoice, etc.)

A003414	SMITH, JOHN JR	1,935.73
A003415	DIRECTOR OF FINANCE, STATE OF HAWAII	176.50
A003416	EMPLOYEES' RETIREMENT SYSTEM	178.00
A003417	HAWAII GOVT EMPLOYEES ASSN	13.99

DEPARTMENT: FMO

APPROVED BY: _____
Fiscal Office Staff

04/01/06 068
Date FO Code