

INFORMATIONAL CIRCULAR NO.: 20-P-034

DATE: April 1, 2020

SUBJECT: Agency Options for Required Use of New Program Code for Funding Related to COVID-19 Payroll Expenditures

EFFECTIVE DATE: March 8, 2020

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APPROVAL:

SUMMARY: Agency Options for Required Use of New Program Code for Funding Related to COVID-19 Payroll Expenditures

Informational Circular 20-P-033 announced the addition of a new program code ‘21662’ to track and report payroll expenditures for work related to COVID-19 tasks. This reporting requirement applies to all state agencies (Regents, executive, judicial, and legislative branches). To assist in tracking COVID-19 payroll expenditures, including overtime, a new Taskgroup ‘COVIDTSK’ has been added to SHARP effective 3/8/2020. **The new Taskgroup may be used with any Time Reporting Code to track/report COVID-19 related hours (Overtime, Shift Differential, etc.)**

To minimize the agency impact for implementation of the new reporting requirement, the Division of Budget and the Secretary of Administration have approved the following options for agencies required to record COVID-19 related payroll expenditures using the new program code:

Option #1: For agencies NOT using task profiles to record detailed expenditures:

- Employees may use the Time Reporting Code CVTSK **OR** REG (with new Taskgroup COVIDTSK) to record employee regular hours related to COVID-19
- Employees will use the newly established Taskgroup ‘COVIDTSK’ to record other COVID-19 related hours such as overtime reported as OTP (see example), Shift Differential, etc.

Timesheet Example:

Total Time Reporting Code	Taskgroup
80.0000	CVTSK - COVID-19 Tasks
16.0000	OTP - Overtime

- Agency payroll/finance staff must generate the Payable Time Extract (KTL109) in SHARP **each pay period** to identify all payroll expenditures associated with COVID-19 and complete a SMART GL journal entry to move the associated expenditures to the new program code ‘21662’ on a bi-weekly basis
- **Additional detailed guidance for this option is available in Attachment A**

Option #2: For agencies tracking detailed expenditures through task profiles:

- Agency may create new task profiles per Info Circ. 20-P-033 to reflect the new required program code **OR**
- Agency payroll/finance staff may use task profiles or other tracking information to identify COVID-19 related payroll expenditures and complete a SMART GL journal entry to move the associated expenditures to the new program code ‘21662’ on a bi-weekly basis

Agencies are responsible to instruct those employees required to record time using the new COVIDTSK Taskgroup for time reporting and/or the Time Reporting Code CVTSK to track time recorded for COVID-19 tasks. If previous COVID-19 related time reporting has already been processed, agencies are expected to process an adjustment in SMART to update/correct the funding to reflect the new program code of 21662 for COVID-19 related expenditures that occurred on or after February 1, 2020.

As a reminder, per Division of Budget, only payroll expenditures that would not normally have occurred if the virus outbreak did not happen should be reported under the COVID-19 program code.

Examples for Employee payroll expenditures for COVID-19 tracking:

Employee payroll expenditures that **should be** tracked/reported using the COVID-19 program code:

- Salaries and wages for additional personnel or additional (non-standard) overtime costs directly related to outbreak response
- Additional overtime costs for staff working to cover tasks due to COVID-19 (i.e. when co-workers cannot report due to self-quarantine or no access to daycare for school-age kids)

Employee payroll expenditures that **should not be** tracked/reported as COVID-19 costs:

- Previously budgeted salaries and wages for staff working regular hours remotely (either performing normal tasks and/or planning/discussing agency impacts from COVID-19)
- Previously budgeted overtime costs to cover standard agency-anticipated overtime

Examples for distribution of Employer payroll tax/fringe expenditures for COVID-19 tracking:

- **For NEW positions** added and fully dedicated to COVID-19 **ALL** employer taxes and fringes (KPERs/Employer Health Benefits, etc.) **should be reported** with the new program code
- **For EXISTING positions** with additional hours/overtime reported under the new program code, **only the portion of those employer charges that would not have previously occurred may be charged** to the new program code:
 - **Employer Percentage-Based Taxes/Fringes** such as OASDI/Medicare, UCI, State Leave, KPERs, etc. **should be reported** for the COVID-19 related payroll costs
 - **Flat-rate employer charges** such as Health Benefits for existing employees **should NOT be reported** to the new program code as those are not new costs due to the outbreak

Any agencies with specific questions about what should be included or excluded for COVID-19 reporting should contact their Division of Budget analyst. Questions regarding agency funding should be directed to Heather DeBusk at Heather.DeBusk@ks.gov or 785.296.2434.

JG:NTR