



State of North Carolina Office of the State Controller

Michael F. Easley, Governor

David McCoy, State Controller

January 7, 2009

MEMORANDUM

TO: Chief Executive Officers
Chief Deputies
Chief Fiscal Officers
HR Directors
Payroll Officers

FROM: David McCoy *David McCoy*

SUBJECT: 2008 Employee Time Recalculation

In furtherance of our interagency partnership and in support of our state employees, this Office will be conducting two significant payroll time activities over the coming weeks to correct impacted employee leave (quota) balances and prepare for the January 26 activation of the revised employee time statement.

First, and most significantly, we are conducting an analysis to validate all employee time back to the BEACON system go-live dates. This analysis activity will identify and allow this Office to correct the issues some employees may have experienced with their holiday balances. In addition, this will allow us to generate employee time statements back to May 1, 2008, for all employees. Next week, we will brief your agency regarding any budget impacts (employee pay adjustments) that may be revealed during these activities.

This weekend, we will process the year-end vacation rollover. When time evaluation is run back to December 31, 2008, any hours more than 240 in the Vacation Leave Quota will be moved to the Sick Leave Quota. Agencies can now enter and approve all 2009 time for all employees.

Recognizing and apologizing for such short notice, **this office requests that your office participate in a teleconference meeting, January 8, at 3 p.m. so we can brief your agency on the implications of the time recalculation activity.** Please call 1-866-427-0083 and enter *9765257*.

With this Office running the time recalculation and closing out the 2008 calendar year, we anticipate that there will be employees identified who owe money back to the State as a result of

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their being overpaid during the calendar year. It is important that each agency use the Wage Type Reporter this month to identify any and all employees who will have funds recouped. After identifying and informing impacted employees, we are asking that each agency work out a repayment plan, consistent with state law as described in my earlier correspondence, using the accounts payable process to recoup any monies owed. If an employee has received an overpayment, the agency and the employee may enter into a repayment agreement where the employee will repay the agency in incremental payments over time. It is a statutory requirement that any overpayment in salary must be recovered and that if an employee requests a repayment plan that an accommodation be provided to permit payback over time.

The successful completion of the time recalculation will allow this Office to close outstanding tickets more quickly, yield a more accurate employee time statement, solve many of the remaining quota balance issues, and eliminate many manual work around processes.

I thank you for the support and patience you have shown through this transition to the State's new human resources and payroll system.

Best regards.

cc: Marc Basnight, President Pro Tempore of the Senate
Joe Hackney, Speaker of the House
Senator Vernon Malone
Representative Joe Tolson