

Staff Concerns – October 2014

Comment/Concern: Staff Congress received several concerns related the timing of taxes being levied against employees utilizing tuition waivers. Employees exceeding \$5,250 in tuition waivers in a given year will be taxed on the overage. Further, Payroll assesses these taxes on the last 5 pay periods of the calendar year, creating the potential for a financial burden for the employee.

Action: Via e-mail, Payroll Manager Gaylena Cline stated:

I request this information from Cathy Vance in Enrollment Services at the beginning of September. It is my understanding that the list I need to calculated taxable tuition waivers is not available until after the last drop/add date. Once I receive the list I determine those employees who have used over the IRS limit of \$5,250 and add this as a taxable amount to the remaining number of checks left in the calendar year.

Credential Processing Center Director Cathy Vance stated:

Every effort is made to provide the information to Payroll as soon as possible; however, we must wait until the add/drop and reinstatement periods are over (late August and September). Due to required federal financial aid reporting and audit wrap-up, it is usually not possible to begin preparing the report prior to October 1. While I understand that having the information earlier would spread the tax amount deducted over more periods, the total amount of the tax liability for which the employee would be responsible would not change.

Currently, the UAR 327.03 says “Any tax liability incurred through participation in this program is the responsibility of the employee”. After the last similar comment, the tuition waiver form was updated to include “Please be aware that this waiver may result in a tax liability.” Could staff congress recommend a revision to the UAR that better describes common situations when there is a tax liability that must be deducted through payroll? Although no one would want to revise the UAR each time there was a change to tax law, could wording to indicate how to calculate potential tax liability be posted somewhere? Employees should be aware of the amount of tuition waived during the year. If not, they can review their information on their MyMoreheadState accounts. Employee tuition waivers show as Financial Aid awards. This information could be used by the employee to prepare for any potential tax liability.

Staff Congress is working with HR to ensure these caveats are clearly stated on the web site and on the tuition waiver forms as to fully inform employees of the potential tax ramifications of the tuition waiver benefit.

Comment/Concern: Upon arrival to work this morning at 5:30 a.m., I was surprised to find 1/2 the lot behind HM blocked off with cones and police tape (the upper portion closest to the building).

1) why is the lot being blocked off from employees?

2) why weren't we notified? I thought in the past when this happened we were supposed to receive some type of notification from the PD.

Action: Via e-mail, Chief of Police Matt Sparks stated:

...Thanks for forwarding this information, this lot was mistakenly blocked off that morning, we actually opened it back up after we realized the mistake, (within an hour or so.)

Chief Sparks also noted that a mass mail would be sent if the lots were going to be closed.