

ePayXpress Volume 1, Issue 1

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<http://www.americanpayroll.org/epayx/epayxpress.html>

APA's 18th Congress Breaks All Records in Orlando

It was the **biggest** ever, and many members said it was the **best** ever. More than 2,300 APA members (and many of their families!) participated in the 18th Annual Congress, and by all accounts it was a huge success.

“Congratulations on a spectacular Congress,” said APA member Margaret A. Roark, CPP, of M&D Consulting, Inc. “I just had to tell you how much I enjoyed Congress this year in Orlando. I think every year that it can’t possibly improve, yet it continually does.”

The 4-day event (5 days if you count the great Pre-Congress programs) featured more than 100 workshops, 138 vendors in the Exhibit Hall, 141 Congress Speakers, and more than 1,000 participants in the special Pre-Congress program.

The record-breaking crowd came down to the Swan and Dolphin Hotels in the center of Walt Disney World to experience the 18th Annual Congress from May 16-20. Architecturally stunning, the Swan and Dolphin are the brainchild of renowned designer Michael Graves. The striking fish and swan motifs repeated throughout the grounds provided a picture-perfect, magical background for the most special payroll event of the year. And, of course, since it was held right on the grounds of the world’s most popular theme park, there was plenty to do and see in between Congress events.

To see more pictures from Congress, check out APA’s Congress Coverage Web pages
<www.americanpayroll.org>.

APA Welcomes a New President on Wednesday

“Welcome to the first great payroll event of the 21st century!” said new APA President Corey Lehr, CPP, at the Opening General Session on Wednesday. Corey, who is Director of Payroll and Employee Information Services at the University of Cincinnati, had just accepted the mantle of APA leadership from outgoing President Maureen Reed, CPP, CGBA.

Maureen had just given a heartfelt, sincere address. She thanked all the people who had dedicated their time to improving the American Payroll Association during her tenure. “Start volunteering, because you *do* make a difference,” she said.

The Congress had been officially opened that morning by Dan Maddux, Executive Director of the American Payroll Association. In his inimitable style, Dan welcomed the participants and announced a few new initiatives that the APA will soon bring to fruition — payroll classes delivered via the Internet, and spacious new headquarters for the Association in San Antonio. Both will be accomplished within this year. Then Dan introduced the main government speaker for the opening session, Social Security Administration Deputy Commissioner William A. Halter. Halter thanked the payroll community for being SSA’s “partners.”

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“All of us at Social Security are *proud* to be your partners in this process of protecting the American public – and glad to have payroll professionals such as you that we can count on.”

Halter then concentrated on SSA’s Internet-related initiatives.

Education and New Technology

From “Dealing With the IRS” to “Beginning Public Speaking Skills” to “Advanced U.S. Non-Resident Alien Tax Withholding and Reporting,” the Congress offered Workshops for just about every need. The only complaint heard from Congress attendees during the week was that they didn’t have enough time to go to every session they wanted to attend! But with nine full workshop sessions to attend over three days, plus special industry forums and two additional special workshops on Tuesday during the Pre-Congress program, there was “a whole lotta’ learning going on.”

One very popular Workshop option this year was the Vendor Forum Product Demonstrations. These were held during regular Workshop sessions, and featured in-depth demonstrations of products, services, and resources offered by some of the top vendors and service providers in the business, along with lively discussions of the issues involved with these products.

Of course, the other way to see new technology at the Congress was at the busy Exhibit Hall. Always a popular destination for Congress participants, this year was no exception. The vendors came through with some amazing give-aways — there was a money grabbing booth at Ceridian’s exhibit, free smoothies being served at a Tiki bar, drinks, popcorn, and lots of other fun stuff. But the biggest and most popular prize of all was raffled off on Friday morning — a brand-new Volkswagen Beetle, given away by ProBusiness to a lucky winner who had placed her card in their fishbowl, Congress attendee Doreen Lindsey.

Southeastern PA Takes Chapter of the Year Honors at Wednesday Night Show

There was a sell-out crowd for Wednesday night’s dinner and show, which featured the versatile and hard-working John Davidson. Star of stage, screen, concert hall, and television, John put everything he had into a top-notch performance of classic songs from every decade. His undeniable charm had the audience swooning one minute, laughing the next. One payroll professional even had to be “rescued” by a gallant fellow member after she threw herself at the stage! (we won’t mention any names, but Lucy Key Price, CPP, said she had a *really* good time Wednesday night!)

Before the entertainment began, Dan Maddux took a few moments to announce the winner of the Chapter of the Year award for 2000. And the winner is — the Southeastern Pennsylvania Chapter! Eighteen members of this very active chapter were in attendance at Congress, and they were thrilled to receive this coveted honor.

Country Music Meets the Payroll Man and Woman of the Year on Thursday

Thursday’s opening session started out a little bit country — the very suave and sexy singing sensation Brandon Sandefur performed a few of his songs to get the day started. Of course, the crowd’s favorite was his rendition of “America Works,” APA’s theme song for National Payroll Week 2000. If you’re an APA member, you received a copy of this song on the last issue of PAYBACK. Or you can download it from APA’s NPW Web site. <<http://www.nationalpayrollweek.com/>> After the general session, Brandon signed quite a few copies of his latest album, and the general buzz was that Mr. Sandefur was both “super-nice” and “dreamy,” not to mention friendly.

APA President Corey Lehr, seeming very much at ease in his new position as APA's highest ranking elected official, took to the stage to introduce the Payroll Man of the Year for 2000 — Dennis Danilewicz, CPP, Director-Payroll Shared Services for Bristol-Myers Squibb. Dennis was obviously touched and surprised by the award, and he promised to live up to the honor.

Dan Maddux introduced the Payroll Woman of the Year for 2000 — Jenny Provenzano, CPP, Project Manager for Kronos. Jenny graciously accepted the top honor, and told the crowd that she had been involved in payroll since she was just 19 years old.

“The APA really helped me grow up, and really helped me further my career,” she explained. “I can't tell you what an honor this is, and how thrilled I am.”

Thursday's Government Address was given by longtime APA friend Robert E. Barr, Assistant Commissioner for Electronic Tax Administration for the Internal Revenue Service, who talked about how the IRS and payroll are “on the eve of paperless payroll.”

The Fabulous 50s Live Again!

Later that evening, the Payroll Man and Woman of the Year served in their first official capacity — as Homecoming King and Queen at the Fabulously Fun Fifties Homecoming party. There was a sock hop with a live band, dinner and drinks (and someone spiked the lemonade!), miniature golf, pinball machines, a beauty parlor, a smoking lounge, and much, much more.

It was almost too much fun — some of the rowdy “students” had to be reprimanded by the principal, or one of the tough-as-nails “nuns” that were patrolling the Homecoming dance at Payroll High. But, although the festivities continued at full tilt until well after midnight, no one got into serious trouble with the school administration. So no one was expelled from Congress and everyone got home safely.

Payroll Time Capsule Launched on Friday

Friday morning started out slowly — many people were still recovering from the rip-roaring party on Thursday night! But it seemed like most of the Congress was on hand by the time the Payroll Millennium Time Capsule sealing ceremony began at 11 a.m. in the Exhibit Hall. Filled with payroll memorabilia from before the turn of the last century through just last month, the capsule was sealed in front of the crowd and will be locked up in APA's new headquarters in San Antonio for 25 years. Then, at the 2025 Congress (that'll be the 43rd Annual Congress!), the capsule will be unsealed at another ceremony. Dan Maddux again presided over the ceremony, and asked a few payroll professionals what they'll be doing in 25 years. One said she'd be retired, but she promised to come to that Congress for the opening of the Time Capsule. Another said he'll probably still be in payroll, and he said he'd be there, too.

See You Next Year!

Saturday's Closing General Session featured speakers from around the world — Gordon Cresswell, head of the Institute of Payroll and Pensions Management (England's version of the APA), spoke to the crowd, as did Jean Holton, Chairman of the Canadian Payroll Association. Representing the APA and America were Frederick Crowley of MIT and Karen Salemi, FLMI, CPP, of Ernst & Young — the 1999 Payroll Man and Woman of the Year.

As the Congress wound down, there were door prizes given away and a photo retrospective of the week's festivities. Everyone agreed that the 18th Congress had been a huge success for all involved, and promised to mark their calendars for next year's event. It's going to be held in Anaheim, California

(home of Disneyland), from March 25-29, 2001. We'll plan on seeing you there!

Record-Breaking Turnout for Pre-Congress Program

The all-day, Pre-Congress Program for 2000 was titled "Coming a Long Way, Ladies, Was Only the Beginning." But that title may have been a bit of a misnomer — as APA Executive Director Dan Maddux pointed out in his opening address to the record-breaking crowd of more than 1,000 participants, there were plenty of men in the audience.

"They probably have women working for them," said Dan, referring to the men in the audience. "But better yet, they probably work for a woman."

Patricia Fripp, speaker extraordinaire, acted as emcee of the Pre-Congress general session, which began early Tuesday at 8:30 a.m. She told the crowd to remember three ideas to improve their lives and careers: education, persistence, and "ask for it!"

Gary Butler, President and Chief Operating Officer of Pre-Congress sponsor ADP, addressed the crowd next. He spoke about what he called the "two most significant developments" in payroll and human resources, and noted that they were both made possible by the Internet: Employee Self-Service (ESS) and corporate portals (Internet or Intranet points of contact with employees and the public, which are usually Web pages).

Butler noted that these two developments have allowed companies to reduce costs and eliminate some positions. But he also said that as transaction costs go down, the value of special expertise goes up, making innovative people more important and valuable than ever.

On ESS, Butler said that he was "a little surprised that more companies have not taken advantage" of ESS options, since they typically provide a 100% return on investment within 12-18 months. And while many companies use ESS to allow employees to change benefit options, less than 10% of companies in his survey used the Internet and ESS to deliver paystubs for direct-deposited wage payments. But he said that the numbers for ESS use are projected to "explode" — 50%-60% of U.S. companies are expected to implement ESS systems in the near future.

Butler said one of the reasons ESS has become popular is the almost universal use of "corporate portals" — the corporate Web site. Surprisingly, Butler did not have nice things to say about the current state of most corporate portals. He said current sites tend to be difficult to navigate and are not updated often enough. Instead, they need to be "rich and vibrant centers for work and dialogue between employers and employees." And he said payroll professionals have to be part of the solution — they must work with the Web site designers to ensure a robust, user-friendly, useful Web site.

Pre-Congress Keynote Speaker Jeanne Robertson spoke to the crowd right before lunch, and she was a *huge* success. It's impossible to recreate her humor and wisdom in print, but if you ever have a chance to see her, don't miss it! Jeanne had the Pre-Congress audience literally rolling in the aisles with her down-home wit.

After a delicious lunch served on the edge of Disney's "Caribbean Beach," the Pre-Congress Program got down to business — there were two full "Power Hour Workshop Sessions" held Tuesday afternoon before the closing general session at 4 p.m., which featured the ever-popular Patricia Fripp (after you've participated in one of her presentations, you can officially claim "I've been Fripped").

After the official close of the Pre-Congress Program, it was off to one of the many Orlando attractions and dinner spots for some participants. But many others chose to dig right into the payroll smorgasbord by attending one of the two-hour Special Industry Forums, which concentrated on a specific area of payroll knowledge. Hundreds of Congress participants turned out for the Special Industry Forums, which featured sessions on: Educational Institutions Payrolls; Payrolls of 10,000-Plus; Payroll Systems Professionals; Government/Public Sector Payrolls; Health Care Payrolls; Hospitality Payrolls; Public Utilities Payrolls; and Payroll Service Bureaus.

More About APA President Corey Lehr, CPP

Corey Lehr didn't plan to become a payroll professional back in 1977, but he's glad he did — and so are the members of APA. When the opportunity presented itself, he was working for a business machine distributor in the company's shipping and receiving department. But he soon found out that their one-person payroll department needed help.

So, with no prior payroll experience, Corey was handed the reigns of his employer's payroll department. "They asked me if I could do their payroll and I said, 'Of course!'"

After a year in that position, he decided to look for better advancement opportunities, and applied to the University of Cincinnati (UC) "for any openings I could find." He landed a position in the Student Accounts department processing loans; a year later, he moved into the payroll department, where he's been ever since. The ensuing 23 years brought steady promotions, and today he is UC's Director of Payroll and Employee Information Services.

Corey has reached new heights in his profession, combining his payroll career with his new role as APA President. He's well known among the membership for his enthusiasm and dedication to the payroll industry, and does whatever he can to further the success of payroll professionals everywhere.

Corey got a feel for APA way back in 1984 when he attended a few seminars, but it wasn't until 1986 that his involvement really took off. That's when he discovered the camaraderie that is unique to the APA community. From there, he added numerous activities to his resume, from assisting in the development of workshops to a volunteer position on the Certification Board and, finally, to the top job — President.

He finds tremendous satisfaction as a speaker at APA events because "at the end of the day there is closure, which doesn't always happen back at the office on a daily basis."

"There is a fixed goal — to share the curriculum of the seminar with the participants. And at the end of the day, when the class has ended, I know I've met my goal," he said. "That's why I find that work to be particularly satisfying."

All payroll professionals face their share of challenges, but many of Corey's are unique to university payrolls. These run the gamut from an accounting system with an unwieldy database to the complexities of paying an international staff, along with the cultural challenges his department faces in an academic world. All of those are in addition to the normal challenges found in any payroll department.

Having taken over as President at the 18th Annual Congress, Corey has a yearlong adventure ahead of him. He's excited about leading an organization that has become such a large part of his life. In fact,

his payroll career and APA involvement form a symbiotic relationship. "I'd like to think we benefit each other," he said.

William Halter, Deputy Commissioner of the Social Security Administration

In his address to the payroll professionals at Congress, Halter said SSA has recently completed "the successful testing of sending W-2 data securely over the Internet" and said it had received "an overwhelming response from the employer community" with 92% of the participants "very comfortable" with the level of security and authentication. He also said over 90% of the participants "found it easier to use" than their current W-2 delivery method.

He announced a new suite of online services for employers and businesses called the Employer Services Online, which will feature: Online Enumeration Verification Service, to allow employers to verify employee names and social security numbers in minutes; and online filing of wage reports, which can reduce costs and extend due dates.

Halter also mentioned two valuable online resources: the *Social Security e-news*, <<http://www.ssa.gov/enews/>> a free e-mail newsletter, and SSA's new Retirement Planner, <<http://www.ssa.gov/retire/calculators.htm>> which allows anyone to interactively plot their expected retirement benefits. These electronic services and more can also be reached through SSA's main Web page. <www.ssa.gov>

The deputy commissioner said that more customers want to conduct government business electronically and by phone as they become accustomed to doing private sector business this way. He added that SSA handles more than 60 million calls through its 800 number, and said Internet customers at SSA have increased from 22,000 in 1994 to 10 million today.

Halter also quoted a recent survey rating of Federal agencies — only one in three surveyed held a favorable opinion of government in general, but "nearly four out of five thought favorably of SSA."

"I'd like to think these findings are indicative of what you in this large audience believe to be true," he said. "If not, let us know. We need to hear from you so that we can listen and respond. As I said at the beginning of this speech, we take very seriously the fact that we are partners. Without you, we literally cannot get America's Social Security benefits out there! If something's not working, we want to know."

SEPAC Earns APA's Chapter of the Year Award

APA presented its 2000 Chapter of the Year award to the Southeastern Pennsylvania Chapter (SEPAC) at the 18th Annual Congress in Orlando, FL. Eighteen members attended the awards ceremony, watching as their chapter was honored before 2,000 payroll colleagues.

"I was truly ecstatic!" said Chapter President Connie Connor, CPP. "Being named Chapter of the Year made me realize what a great group I work with, and how awesome the members of SEPAC are for all their hard work in making this possible."

Check out SEPAC's Web page. <<http://members.aol.com/sepaapa/>>

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A *very* active Chapter, the SEPAC staff and membership are involved in many community outreach activities in addition to their regular payroll programs. “We really stay busy,” said Connie of the effort it took to propel them into the winner’s circle.

Leading them to the pinnacle is a dedicated band of officers whose commitment and hard work make SEPAC a vibrant and active part of the APA. Here are the chapter officers who keep things going on a daily basis:

President: Connie J. Connor, CPP, is the Payroll and Accounts Receivable Coordinator for the National Board of Medical Examiners in Philadelphia, PA.

Chapter Coordinator: Marilyn Jacobson, CPP, is the Assistant Treasurer — Accounting Services for Harleysville Insurance Companies in Harleysville, PA.

Secretary: Gladys Feher is the Payroll Supervisor for Lutron Electronics in Coopersburg, PA.

Treasurer: Kenneth Krum, CPP, is the Payroll Supervisor for KidsPeace, the National Center for Kids Overcoming Crisis, in Orefield, PA.

Government Liaison: John Ganse, CPP, is an independent Payroll Consultant.

Community Outreach: The Chapter of the Year award is the culmination of much hard work by payroll professionals who volunteer their time and energy to give something back to their community. Among SEPAC’s many success stories are:

- Adopt-a-Highway program — once every quarter members donate their time to clean a two-mile section of Route 23 in the Valley Forge/King of Prussia, PA area.
- Clothing Drive — an ongoing project that has benefited both the less fortunate and victims of natural disasters, such as Hurricane Floyd in 1999.
- Toys-for-Tots — members donate toys at the August and November chapter meetings for disbursement to the local Ronald McDonald House and to other needy children.
- AIDS walk — members seek sponsors to donate money on a per-mile or flat rate to benefit AIDS research. The walk is eight miles long — uphill! In 1999, the SEPAC team raised over \$1,500.
- Habitat for Humanity — twice each year (spring and fall), members spend a full day renovating homes for purchase by low-income families. “I never knew we were such talented carpenters!” Connie said.
- Food Drive — a project to help needy families and missionaries with food during the holiday season. Members donate nonperishable food items at the August and November chapter meetings. The food is divided among a group of charities in Southeastern Pennsylvania.

A Winning Combination: Connie feels the educational opportunities her chapter provides are a great way to “give something back to the members” because payroll employees rarely receive any outside training from their employers. A side benefit of these educational programs is the face-to-face contact that brings the membership together as a chapter — a togetherness that is evident in every activity and project.

With members working toward the common goals of payroll excellence and community service, it’s no wonder SEPAC garnered first place. “I’m proud of all the things we do,” said Connie.

Check out SEPAC’s Web page. <<http://members.aol.com/sepaapa/>>

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Payroll Man and Woman of the Year

Jenny M. Provenzano, CPP, Payroll Woman of the Year: Jenny Provenzano, Project Manager at Kronos Incorporated, said she was shocked and surprised at receiving the honor.

“Butterflies came over me,” she said. “For the first time, I was nervous about speaking in front of an audience and that’s unusual for me!”

Jenny’s work on behalf of the APA and the payroll profession is well known, particularly her efforts to further the use of direct deposit. She is a true champion of the medium and will volunteer to speak on the subject whenever the opportunity arises. To that end, she has served on the Automated Clearing House Committee for six years, three of those as Chair. And at countless NACHA meetings she has spoken on behalf of her APA colleagues to ensure that payroll’s interests are represented.

Since 1993 Jenny has served tirelessly on the Certification Review Panel, and has volunteered her time and expertise to the Hotline Referral Service for many years as well. In 1994-95 she was a member of the President’s Board of Advisors and, in 1998, she served on the Chapter Recognition Committee. Jenny is an influential member of her local chapter and a very popular speaker at APA events, including this year’s Congress.

Her distinguished background also includes two previous APA honors: a Meritorious Service Award in 1996 and a Special Recognition Award in 1999.

A resume brimming with accomplishments and accolades and a devotion to her profession explain why Jenny Provenzano is the 2000 Payroll Woman of the Year.

Dennis Danilewicz, CPP, Payroll Man of the Year: As the introductory speech for the Payroll Man of the Year award was read, Dennis Danilewicz listened intently, trying to figure out who the recipient might be.

“As the list of committees was being read off, I kept thinking of people I had served with on those committees that were probably the choice,” he said. “Suddenly, when I heard Corey mention the Global Subcommittee, it hit me that I was the person they were talking about. Needless to say, it was a shock!” His shock quickly turned into elation. “I’m sure that the speakers that followed the presentation were very good, but I was on a cloud and didn’t hear most of what they said,” he joked.

Dennis’ name should be familiar to all of you. He’s always been a big supporter of the APA and its members, volunteering his time to serve on the Hotline Referral Service, the Automated Clearing House Committee, his local chapter, and in many other capacities. Other activities include his role as an instructor for the Payroll Professional Learning Series and the Chairmanship of the Large Employer Task Force Global Issues Subcommittee.

He’s also an enthusiastic and prolific contributor to APA’s membership publications, sharing his expertise in the areas of employee self-service and “metrics,” an innovative method for measuring performance. In addition to writing, Dennis has been a featured speaker at APA events for many years, most recently at the Year 2000 Payroll Best Practices Conference. In 1997 he received a Meritorious Service Award, followed by a Special Recognition Award in 1999.

Professionally, Dennis is the Director of Payroll Shared Services at Bristol-Myers Squibb. His generosity, volunteer spirit, and dedication to the payroll profession earned him this year’s top award.

"On the Eve of Paperless Payroll"

Thursday's government speaker was Robert E. Barr, Assistant Commissioner for Electronic Tax Administration for the Internal Revenue Service. Bob talked about how far payroll and electronic initiatives have come — he has been involved with payroll and computers for 22 years, starting in the '70s when he was a computer programmer writing a payroll program.

He told the audience that payroll and the IRS are "on the eve of paperless payroll" and urged Congress participants to continue to work with IRS to achieve their goals of easy, fast access to the IRS via the Internet. Check out IRS initiatives and more at IRS's Web page. <<http://www.irs.gov/>>

Specifically, Barr said the Electronic Federal Tax Payment System (EFTPS) has been a big winner for the IRS, noting that 2.8 million taxpayers use the system already.

Also, he said IRS is working with vendors to try to expand its Simplified Tax and Wage Reporting System (STAWRS) pilot, so that software can help facilitate the single point filing effort. This single-point filing would include state and federal 941 reporting and state unemployment insurance filings. IRS's deadline to have STAWRS single-point filing and STAWRS one-stop customer service features up and running is 2004.

Bob said the IRS is close to unveiling its first electronic signature pilot program, which should eventually be implemented for forms SS-4 and W-4. Eventually, this e-signature should spread to most of the other forms, Bob said.

Bob outlined IRS's far-reaching and ambitious long-term goals and strategies, which are based on the IRS restructuring legislation.

Goals for IRS, Based on Restructuring Legislation:

- Paperless filing should be the preferred and most convenient.
- Achieve 60% electronic filing by 2002; 80% by 2007
- Paper processing times should remain at 40 days.
- Encourage private sector competition.
- Establish a strategic plan within 180 days of enactment.
- Establish an Electronic Commerce Advisory Group.
- Promote ETA programs through mass communications and other means.
- Payment of incentives as appropriate.
- Beginning in 2000, information returns may be filed 30 days later if filed electronically.
- Study delaying information returns to taxpayers by two weeks.
- Electronic signatures are criminally and civilly equivalent to paper signatures.
- Can waive signature requirement (albeit without presumption).
- Five years of most recent forms, schedules, and information available on Internet.
- Authorization on electronic returns for tax preparer communication.
- Return-free tax system for appropriate individuals by 2008.
- Electronic account inquiry by 2006.

IRS Strategies to Achieve Those Goals:

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- Make electronic filing, payment, and communication so simple, inexpensive, and trusted that taxpayers will prefer these to calling and mailing.

- Substantially increase taxpayer access to electronic filing, payment, and communication products and services.

- Aggressively protect transaction integrity and accuracy.

- Substantially reduce electronic filing per return processing costs.

- Deliver the highest quality products and services when promised.

- Seek the best people, ideas, and partners to ensure our success.

- Create an environment where our employees and partners are skilled, informed, and empowered to succeed.

Check out IRS initiatives and more at IRS's Web page. <<http://www.irs.gov/>>

Payroll Heroes Lead the Way to Financial Security

Looking for a way to celebrate NPW, get recognition for your payroll department, *and* provide a valuable service to your friends or coworkers? How about helping your coworkers fulfill their dreams — would that get their attention?

You can do it by organizing a presentation on personal financial management. As a payroll professional, you can play an important role by pointing your coworkers in a direction that will enable them to meet their financial goals, save for retirement, or get out of debt.

APA can help arrange for a speaker to come to your office to give a presentation at a date and time that is convenient for you. National Payroll Week — September 18-22, 2000 — is *the* perfect time. We can assist you in organizing and publicizing the educational event. All you have to do is provide a room and an audience.

We can provide speakers who can speak on stocks, bonds, and mutual funds. Or we can arrange speakers to talk about credit management, planning a personal budget, or the ins-and-outs of personal financial management. And we can arrange presentations *at no cost* in many communities.

These presentations will not be geared toward the selling of a product or service. Presenters will come from one of the many organizations associated with the **Facts on Savings and Investing** campaign. Among those involved are: the Securities Industry Association, the American Financial Services Association Education Foundation, the Certified Financial Planner Board of Standards, the National Foundation for Consumer Credit, the Investment Company Institute, and the Bond Market Association. Federal agencies including the Securities and Exchange Commission, the Pension Benefit Guaranty Corporation, the Labor Department, and the Treasury Department are also involved in the campaign.

Here are some of the presentations APA can help arrange:

From the Social Security Administration:

- What can I really expect from Social Security?
- What is all this talk about Social Security going broke?
- What kinds of benefits does Social Security offer?
- How can I find out how much in benefits I can expect to receive?

From the APA:

- Understanding your paycheck
- What are the various taxes that are withheld?
- Where does the money go?
- How do I adjust my withholding?
- What are some ways that I can maximize my pay (direct deposit, W-4 adjustments, various tax credits available, e.g., EITC, etc.)?

From the Securities Industry Association:

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- How do I pick a securities broker, such as Merrill Lynch, Charles Schwab, etc.?
- How much does working with a broker cost?
- How do I maximize my earnings while minimizing risk?
- What is a safe amount to invest?
- What is a reasonable amount of risk to take?
- How much money do I need to retire?

From the Investment Company Institute — This is particularly good if mutual funds are included in your company's 401(k) plan.

- I hear so much about mutual funds — What is a mutual fund?
- How is a mutual fund different from a stock fund?
- What is a reasonable expectation of gain?

From the National Consumer Credit Federation — NOTE: there is usually a fee of between \$100-\$150 for these seminars.

● Workshops cover the basics of money management and use of credit. Education professionals provide employees with materials to take home, including budgeting worksheets. These seminars can be held during work, at lunch time, and before or after work.

● Additional topics may include: couples and money, how to buy a car, raising money-smart children, surviving the holidays, or purchasing a home.

For more information or to get the ball rolling, contact APA government relations manager Rita Zeidner at 202-682-4785 or send an e-mail to ritaapa@aol.com.

Payroll Pros Savor Special Double Session on Garnishments

Payroll professionals were eager to learn more about the various types of garnishments that they are expected to comply with at a special double session of the APA's 18th Annual Congress – "Garnishments With a Capital G." Lea Oliveira, president of an outsourcing company for employee child support and creditor garnishments, did not disappoint them as she shared her knowledge and expertise on the rules concerning government tax levies, creditor garnishments, and student loan garnishments.

State tax levies

States may issue tax levies in order to collect delinquent taxes owed to the state. Generally, a state tax levy will have priority over a creditor garnishment order; however, some states follow the "first in, first honored" method. Employers with questions as to whether or not they should start withholding one order and stop another should call either their state revenue department or the creditor to find out, recommended Oliveira. While the creditor will *always* want payment, it may be able to cite a law that says why it should be paid, which may be helpful to the employer. Each state has its own rules regarding levies and the Consumer Credit Protection Act (CCPA) limits do not necessarily apply.

EXAMPLE: California has chosen to follow the federal CCPA limits to limit how much employers can withhold (the lesser of 25% of weekly disposable earnings or the amount of weekly disposable earnings that exceeds 30 times the federal minimum hourly wage of \$5.15 an hour). An employee who works at the San Diego Zoo has a state tax levy in place. His weekly gross pay is \$1,022.21. To figure disposable earnings (defined as gross pay minus the taxes required by law), the employer should subtract the following from the employee's gross pay: \$235.11 (federal income and employment taxes), \$30.67 (state taxes), and \$7.16 (mandatory state disability insurance), leaving \$749.27. Thus, \$187.32 can be withheld from the employee's disposable earnings for the state tax levy (25% of \$749.27 is \$187.32).

Student loan garnishments

Oliveira stated that employers must begin withholding on a student loan order once it is received unless and until a release from the student loan company is received. Generally, the maximum amount that can be garnished from any pay period for the student loan is 10% of the employee's disposable pay. Employers may wish to refer employees to this student loan Web site <www.1800iwillpay.com> – this site is a joint effort by the Department of the Treasury, Financial Management Service and the Department of Education, Debt Collection Service, and offers information to students who are in or near default on their student loans. A toll free number is also provided (1-800-494-5572).

Creditor garnishment orders

Consumer creditor garnishment orders are probably the biggest headache for multi-state employers, admitted Oliveira, because each state has its own limits and procedures for allowing and collecting on them. In addition, employers that fail to properly handle a garnishment are liable in most cases for the full amount of the order or the amount that should have been withheld. "In today's creditor friendly environment, it is becoming more and more common for creditors to serve multi-state employers or large employers in a site that is so far out of reach that [the payroll department] might not know about the garnishment," warned Oliveira. The creditor knows that it is easier to get the money from the employer, so employers should have procedures in place for all incoming orders so none "fall through the cracks."

When asked if a creditor in one state has the authority and right to serve an employer in another state

for a consumer garnishment if the employee doesn't work in the state where the creditor is located, Oliveira said that sometimes a "legal tangle" will come into play. Typically, a creditor will need to go through foreign judgment registration with the state where they are sending the order to validate the judgment in that state (think back to the days of child support before UIFSA was enacted). Again, state law would govern whether the out-of-state creditor garnishment order must be carried out.

APA Garnishment Class

On July 13, the APA will be offering the audio seminar class, "Garnishment Issues for the Payroll Professional." James Medlock, CPP, Senior Director of Training and Education for the APA, will be discussing the latest rules governing child support withholding, creditor garnishments, and federal tax levies. The class will also include a valuable question-and-answer session for participants. For more information, check out Garnishment Issues for the Payroll Professional

<<http://www.americanpayroll.org/au00dates.html>>.

Excerpted from an article originally published in the June 2, 2000 issue of *PayState Update*. For more information about *PayState Update* or to order this publication, check out *PayState Update*

<<http://www.americanpayroll.org/pubs2.html>> or call APA Membership Services at 210-224-6406.

Vendor News

Check out the list of ALL the Congress Exhibitors, descriptions of their services, and links to their sites at the Congress Exhibit Hall Listing <<http://www.americanpayroll.org/congress/18-exhibithall.html>.

138 Exhibitors Make Hall a Big Success at 18th Annual Congress

It was standing-room-only at the Opening Cocktail Reception of the huge Exhibit Hall at APA's 18th Annual Congress in Orlando. The Wednesday night opening was a major success — every booth was busy with payroll professionals striving to figure out which system or service was right for their operation.

Of course, there was plenty of fun in the Exhibit Hall, too. In the mornings there were coffee receptions with muffins, and at night there were cocktail receptions with hot pretzels and cookies.

There were great give-aways and door prizes — there was a money grabbing booth at Ceridian's exhibit, free smoothies being served at a Tiki bar, free drink coupons, free sunglasses, and lots of other fun stuff.

The biggest and most popular prize of all was raffled off on Friday morning — a brand-new Volkswagen Beetle, given away by ProBusiness to a lucky Congress attendee who had placed her card in their fishbowl. It was raffled off right after the Payroll Millennium Time Capsule sealing ceremony.

The New Technologies: Payroll Surfs the Web

The hot topic of the Exhibit Hall, of course, was e-payroll and Web-based technologies. It seemed like every company had a new product designed to take advantage of the seemingly endless potential of the Internet. Here's a sampling of what was available.

Please note: this listing is in no way comprehensive — there was so much to see, we might have missed some great new products. And there's no way we can present everything in this space this month, so we'll continue with more Congress Exhibit Hall coverage in the next issue of ePayXpress (look for it on July 19 in your e-mailbox).

ADP's eTIMESheet and TimeSheet—Announced at the Congress, these two new products are designed to automate time sheets for payroll processing, slashing payroll prep time “by up to 80%.” eTIMESheet is a client/server application designed for small- to mid-sized companies. It offers employees three ways to enter their hours, and allows supervisors to send the approved time sheets to eTIME, ADP's automated time and attendance software, which totals hours and applies all pay rules. The data can then be “seamlessly transferred to payroll.” ADP TimeSheet is aimed at large companies with dispersed employees, and is a scalable solution for Web and client/server environments. It allows employees to dial into a secure intranet/Internet site and enter worked and nonworked time against an unlimited number of labor accounts. Supervisors approve employees' time through the Web or LAN, and the data can then be “seamlessly transmitted to payroll, general ledger, and accounts payable systems.” ADP said TimeSheet has “powerful business rules that help maintain accuracy of the data as well as automated e-mail notification of user-defined irregularities.” Contact ADP at www.adp.com or 1-800-543-7994.

Best Software's CustomHRMS — is a “hosted HRMS application service delivering a fully integrated HR/Payroll solution based on Web-native technology.” Best says the system allows employees

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<http://www.americanpayroll.org/epayx/epayxpress.html>

to access their HR information over the Internet “anytime, anywhere, from any PC — all without utilizing your own in-house IT resources.” The system is based on the Best! Imperative HRMS, but delivered via an application hosting model, so companies don’t need to devote their own IT resources to the system, “resulting in a lower cost of ownership,” according to Best. The system is available “24x7x365” to “any approved user with a Web browser” and offers both uptime guarantees and “a high level of both physical and operational security.” Contact Best! at www.bestsoftware.com or 1-800-368-2499.

ProBusiness’s CSP (Client Services Portal) — Announced at the Congress, ProBusiness has launched the beta test of its Client Services Portal (CSP), which it calls “the first Web-based, personalized service portal for payroll and tax managers nationwide.” The service is free of charge to all ProBusiness clients. CSP can be customized to automatically deliver a variety of information, news, and updates tailored to meet the needs of individual Payroll Managers who use the system. It provides local access to data, giving clients access to process and employee information. Currently in beta test, CSP will be made available to all ProBusiness clients this fall. The initial version will include Agency inquiries for tax, FedEx package tracking, ProBusiness product requests, information requests, and registration for ProBusiness training courses. The Portal will also contain a direct e-mail link to their personal account manager and contact information for their client services team. CSP is accessed with a standard Web-browser. Contact ProBusiness at www.probusiness.com or 1-800-776-7960.

Ceridian’s Source Time & Attendance — Ceridian says its system can be used stand-alone or can be integrated with leading HR/Payroll solutions. It provides labor and expense activity for both client/server and Web-enabled environments, and supports leading database management systems from Oracle, Microsoft SQL Server, and Sybase. It supports Windows 3.1, 95, and NT environments, and is fully scalable. Ceridian says it has a time engine to serve hourly and salaried, exempt and nonexempt, part- and flex-timers, and contract or temporary workers. The company said the product is “as flexible as you need it to be” while remaining secure with “electronic signature” capabilities. Contact Ceridian at <http://ces.ceridian.com> or 1-800-729-7655, ext. 510.

Huntington Business Systems TP (TimePiece) modular system — The company says each module is a complete system by itself that can be integrated with one or more different data collection solutions. These products are “compatible with all third party payroll and human resource systems and service bureaus.” Each product provides “flexible processing, edits, setup tables and reports” which “provides clients with the ability to use setup tables to make changes as their requirements change.” Modules for payroll include: Control Module; History; On-Line Supervisor Entry; On-Line Employee Entry; and Internet/Intranet. The TP-Control Module is the heart of their solution for automating payroll data collection. It is set up to receive and control employee information from Scanning, Fax, On-Line Entry, Internet / Intranet, IVR, and Electronic Time Clocks. It also controls access for our On-Line and Internet / Intranet products. Contact Huntington at www.hbscorp.com or 631-361-6820.

PeopleSoft’s Human Resources Management — the company calls it a “global, enterprise-wide system that helps you track and analyze every facet of your workforce, from basic record collection to sophisticated benefits and payroll requirements.” PeopleSoft says its applications for eBusiness are “100% Internet” with “applications built to exploit the power and ubiquity of the Internet.” The company also specializes in providing industry-specific solutions for communications, utilities, financial services,

healthcare, higher education, manufacturing, public sector, service industries, and U.S. federal government needs. Contact PeopleSoft at www.peoplesoft.com or 1-888-773-8277.

FLS's Direct Pay.COMpliance — eDP.COMpliance is a new Web-native payroll tax compliance system, which can be deployed as stand-alone software, as an outsourcing service, or via the Internet in an application service provider (ASP) environment. The browser-based application is the “first full-spectrum product for the tax reporting market,” according to FLS. eDP.COMpliance helps businesses of any size comply with thousands of payroll tax regulations imposed by some 10,000 federal, state, and local government agencies. It can exchange payroll tax compliance data electronically between business taxpayers and the Internal Revenue Service, using the Web. The software includes features to handle federal, state, and local tax deposit calendars, cash management, electronic tax payments, and multiple reporting sites. eDP.COMpliance interfaces with most major payroll applications, and can export data to accounts payable, treasury, or general ledger systems. The application also links to FLS EPIC (Electronic Payment and Information Courier) services to automatically format and transmit electronic tax payments. Contact FLS at www.flinc.com or 972-239-8881.

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Legislative News

APA: New Hire Info Can Leverage UI Fraud Detection

For employers, lower unemployment insurance costs should be an added benefit of the national new hire reporting program. So APA has asked the House Ways and Means Committee to require that states use new hire information to clamp down on unemployment insurance fraud.

Nearly half of all states are using new hire data to better identify working individuals who are no longer entitled to receive unemployment benefits, according to a survey by the Interstate Conference of State Employment Security Agencies (ICESA). <<http://www.icesa.org/>>

State employment security agencies (SESAs) have had the technical ability to do limited matching since 1996, when Congress mandated the national new hire reporting program in its sweeping welfare reform initiative. Responding to employers, who were troubled by the additional reporting burden, Congress also included in the law provisions allowing individual state child support agencies to turn over their new hire reports to the SESA in their state.

Employer advocates hoped that states would use the information to better identify fraudulent claims which would, in turn, lower their unemployment insurance premiums. Congress, however, did not include a mandate requiring SESAs to do the match. (Congress did, however, require SESAs to turn over information regarding unemployment beneficiaries to child support enforcers which has helped them better identify the location of noncustodial parents.)

Employer groups, including the American Payroll Association, have historically supported the UI-new hire matches. Because the information is very recent, it allows early detection of those who continue to receive UI benefits once they begin working. Previously, UI agencies relied primarily on quarterly wage data to identify workers in the state. But by the time the unemployment agency received that information, a worker could have collected thousands of dollars in UI benefits that have traditionally been difficult for a state to recoup.

Despite the absence of a congressional requirement, about 24 states have begun matching information, according to the ICSESA study. An additional 20 states reported that they were considering doing the match in the future.

Among the states currently doing crossmatches of new hires and unemployment beneficiaries are New York, Utah, Texas, South Carolina, and Maine.

Washington state, which began doing its match earlier this year — after the ICSESA survey was conducted — has already begun to see dramatic results from its survey. Washington state identifies more than 1,000 hits a week, according to Byron Zarp, supervisor of Washington's Fraud Management Unit.

Rita Zeidner, manager of government relations for APA, called the increase in the use of new hire information by SESA's "encouraging," but said she was frustrated that more states weren't using the powerful tool provided by new hire information to clamp down on unemployment insurance fraud. APA has asked the House Ways and Means Committee to consider requiring states to do the match.

"On the one hand, Congress has provided SESAs with a powerful tool to fight UI fraud. On the other hand, they aren't requiring that states use this tool. It's really quite unfortunate," said Zeidner.

Sher added that it was particularly callous of Congress to ignore the cost of UI fraud for employers while using new hire information to identify fraud and abuse in government programs, such as student

loan defaults.

Zeidner said APA will continue to look at how information collected by employers for new hire reports can be leveraged to further cut unemployment benefit costs. APA, she said, is supporting a legislative proposal soon to be introduced by Rep. Nancy Johnson (R-CT), which would authorize delivery of new hire information to the states by way of the Department of Health and Human Services, which would access the information from the National Directory of New Hires.

Currently, states only have access to information on new hires within their borders. Because many multistate employers file their new hire reports with only one state, states are not able to identify those who got a job but were reported to a different state.

“If employers are already providing this information to the federal government, states should have access to it,” Zeidner said.

Zeidner said APA would also be giving consideration to the concerns of state officials, who have said they would be able to use new hire information more efficiently to identify fraudulent claims if they were also provided with an employee’s date of hire. APA has historically opposed mandates requiring employers to provide date of hire information with their new hire reports.

APA provides an on-line tool that makes it easy to write your lawmakers about this important issue. Check it out at CapWeb Custom - American Payroll Association <<http://www.capweb.net/apa/>>

A New Electronic Method for Child Support Payments

A new service under development by an Illinois-based consulting firm could allow employers to submit their child support withholding payments for multiple states to a single payment center.

The site, a private venture under development by the Lombard, IL-based Bradley Consulting Group, is intended to meet the demands of employers who want to have a single place to deposit child support withholding.

The site uses withholding addenda information entered once by the employer on the Web site. Changes to any withholding information can easily be made through the Web site. The authorized employer personnel must explicitly authorize transactions to their state’s disbursement unit (SDU) each pay period. The site will do the rest, routing the payment to the appropriate SDU with the properly formatted addenda.

Bradley Consulting reps claim the system may be ideal for certain employers. They said their service offers “a sign-up fee that’s lower than some banks’ monthly EFT origination fees” and a “pay as you go” transaction policy. Bradley said their service may be ideal for employers who:

- cannot justify the cost of modifying their own systems
- need a short-term solution until modifications to their own systems are complete
- use a payroll service provider who doesn’t support EFT for child support withholding or charges too much for the service

Bradley reps say the [eftchildsupport.com](http://www.eftchildsupport.com) Web site is expected to be up and running by June 2000. In the meantime, Bradley will be testing payment transmission methods with various states. Employers can get additional information or pre-register for the service by accessing the Bradley Consulting EFT Web site. <www.eftchildsupport.com>

Bradley is currently under contract to assist the state of Illinois in setting up its EFT transfer. Many

employers in that state will be required by law to make their child support payments electronically this summer. The Web site, however, is a private endeavor and not endorsed, controlled, or overseen by Illinois officials.

Information on electronic payments and other issues related to child support is available through APA's Web site at: <http://www.americanpayroll.org/new80.html>>

Web Site News

Social Security Administration's new (and free!) electronic publication — Social Security e-news <<http://www.ssa.gov/enews/>>

Follow the link above to sign up for SSA's new monthly e-newsletter. Described as "the simplest, most convenient way for you to keep up with the latest developments about Social Security." The sign-up page also allows you to check off additional areas to sign up for "timely updates" in the following areas (**bold** items will be of particular interest to payroll professionals): Disability, Retirement, Survivors, Supplemental Security Income (SSI), Medicare, **Laws & Regulations**, Press Office, **Wage Reporting, Data, Studies & Research**, and Seniors.

APA's new National Payroll Week Web site <<http://www.nationalpayrollweek.com/>>

Dedicated entirely to NPW issues, this new Web site has a lot to offer to both payroll professionals and the general public. It explains everything — nonpayroll people can get an answer to the question "What is National Payroll Week?" or find out how they can save more of their paycheck. Or, payroll professionals can click a button to "Get Involved in National Payroll Week." You can also download the NPW song "America Works" by country music sensation Brandon Sandefur, research payroll publications, check out NPW in the news, and much more.

BNA's Congress Coverage Web pages <<http://www.bna.com/payroll/apa2000/>>

Excellent coverage of the 18th Congress by BNA. Features daily reports from Congress, a letter from APA President Corey Lehr, results of surveys taken at Congress, coverage of Workshops, coverage of government speakers, and more.

2000 Payroll Best Practices/Benchmarking Study Announced

Building on last year's successful collaboration, APA is again teaming up with KPMG Consulting to conduct a second Payroll Best Practices/Benchmarking Study. APA's Large Employer Task Force and a Steering Committee made up of participants from the 1999 survey have been working diligently to ensure that the 2000 study is beneficial to all payroll operations. This year's study will examine the complexities and costs associated with payroll processing and related best practices, and will identify the following:

- Regular cycle cost per check
- Regular cycle cost per employee
- Number of regular payments per payroll employee
- Off-cycle cost per check
- Off-cycle cost per employee
- Number of off-cycle payments per payroll employee
- Employees paid per payroll employee
- Payments per payroll employee

Benefits of Participation

KPMG Consulting is pleased to announce that the enrollment cost for the 2000 study has been reduced to \$1,500—half the previous estimate. Additionally, the amount of requested data has also been reduced from last year without affecting the quality of the study results. It is anticipated that most payroll departments will be able to gather their data in less than one week.

Each participating company will receive support from KPMG Consulting, along with a survey tool kit containing questions specific to the current costs and practices being utilized. Conference calls will be held during the data collection period to ensure that all questions are being answered in the same manner by each organization. Once the information has been compiled, participating companies will receive a report showing how they compare to the study group.

To make the survey more useful, APA and KPMG Consulting will conduct a follow-up study in 2001 for a nominal fee. This will allow companies that took part in the 2000 study to compare their payroll process from year to year, demonstrating how improvements to processes and technology result in lower payroll operating costs over time. These findings will be published in a future issue of APA's Employer Practices. Additionally, the study data will be presented at the 2001 Congress and the 2001 Payroll Best Practices Conference.

Get Involved

Data collection for the 2000 Payroll Best Practices/Benchmarking Study will begin in August 2000. In order to participate, all enrollments must be completed by August 1. Because detailed study results are only available to participants, all companies are encouraged to take advantage of this opportunity. Enroll now to get involved in this important review of payroll processes and best practices.

For further information, please contact David Cole, Senior Manager of KPMG Consulting, at 214-754-2570 or e-mail him at dcole@kpmg.com. Or, contact Jim Medlock, CPP, APA's Senior Director of Education and Training, at 210-226-4600, ext. 203, or e-mail him at jmedlock@americanpayroll.org.