



# Your Service

A Publication of Interlogic Outsourcing, Inc.

WINTER 2014  
Vol. 12, # 1



## ACA Update

An important requirement of the Patient Protection and Affordable Care Act (the "ACA") is the Employer Shared Responsibility Mandate (often referred to as the "pay or play" decision). Applicable Large Employers (employers with 50 or more Full Time Equivalent ("FTEs") employees) must provide health care coverage or pay a penalty. An FTE is an employee who works an average of at least 30 hours per week or 130 hours in a calendar month.

This mandate's effective date has changed since the law was passed, and IOI® continues to monitor new and changing effective dates. As of publication, the Employer Shared Responsibility Mandate will become effective first for employers with 100 or more FTEs beginning on January 1, 2015. Employers with 50-99 FTEs can apply to delay compliance until January 1, 2016. If your company is in these categories, consult with your legal or business adviser in order to ensure ACA compliance and avoid any penalties.

### Employers at particular risk:

- ◁ Employers who are or may be an Applicable Large Employer
- ◁ Employers with high turnover in employees
- ◁ Control Groups
- ◁ Employers with variable hour employees or part time employees\*
- ◁ Employers managing employee hours for ACA compliance
- ◁ Educational organizations

IOI® is pleased to provide your company with tools to comply with the ACA, including the IOIPay® ACA Dashboard. The ACA Dashboard is a web-based tracking and documentation solution utilizing information from the IOIPay® system to aid employers with ACA compliance. By using the ACA Dashboard, employers can avoid potential penalties and ensure compliance with the ACA. **Please contact your sales representative or call our Customer Service Department at 888.697.0021 with questions or to schedule a free demo.**

### Simple Steps to Prepare for Compliance with ACA:

- 1. Analysis & Modeling:** As an employer, you need to understand how the ACA will impact your business and select a course of action based on status as an Applicable Large Employer, potential scenarios for health care coverage, and potential liabilities and key decisions. Use information obtained from the the IOIPay® ACA Dashboard to determine your ACA liabilities.
- 2. Decision-Making & Documentation:** You need to create a plan of action pursuant to the ACA, including employee measurement, insurance coverage, administrative and stability periods and documentation of those decisions. Determine how to comply with the ACA (either pay or play).\*
- 3. Implementation & Monitoring:** Employers can ensure compliance with the ACA by adhering to any properly formulated decision-making plans, implementing the plan, and close monitoring of adherence to that plan. Employers can monitor appropriate employees and track records regularly to prepare for any possible IRS reporting and audits. Document and carry out your plan, noting how your company complies with the ACA.

\*Refer to the ACA to confirm the meaning and definition of terms used in the above article and in the act itself.

The information contained in this newsletter is for informational purposes only and not to provide legal advice. To ensure compliance with the ACA and all other legal requirements, companies should consult with their legal and/or business advisers.

### In this Issue

ACA Update.....	1
Year-End Checklist.....	2
HSA Contribution Limits.....	2
Year-End Webinars.....	2
Tips and Tools.....	3
Compliance/Tax Alerts.....	3
Featured Ancillary Service.....	4

# 2014 Year-End Checklist

- Verify that employee names and SSNs match their Social Security cards
- Confirm the following information you have on file with IOI® is correct:
  - Federal ID number
  - Business name and address
  - All earnings and deductions for applicable W-2 codes
  - State withholding account numbers
- Send in your new State UC rate changes and updates for 2015
- Report all manual and voided paychecks for 2014 on or before the last payroll
- Monitor employees reaching the FICA maximum \$117,000 for 2014 if you will be calculating taxes for manual checks
- Record Third Party Sick (TPS) payments
- Review employee pension codes for W-2s
- Review YTD information for correct balances and verify there are no duplicate employees
- Report all additional earnings that should be noted on the 2014 W-2, such as:
  - Taxable fringe benefits
  - Moving allowances
  - Group term life
  - Auto allowances
  - Other compensations
- Schedule any bonuses needed for 2014 year-end as well as any special reports needed

## Message from the President



This time of year is crucial, and we are aware of the demands placed on you, our clients, with closing your year with efficiency and confidence. As always, we consistently seek ways to better serve you.

In this edition, you will find valuable year-end reminders, as well as new information about how we have added to our cloud-based suite of products to provide additional capabilities, including applicant tracking, onboarding and other HRIS functions.

We understand the importance of staying current, especially when regulations are changing. 2015 will bring a whole new operating consideration with the Patient Protection and Affordable Care Act (ACA).

We are pleased to offer you a set of solutions, including the IOIPay® ACA Dashboard and informational webinars, which can aid you in navigating the ACA and its Employer Shared Responsibility Mandate\*.

As always, we welcome your feedback, and we are incredibly grateful that you have chosen us as your payroll partner. We remain, @ your service; and we wish you and yours a Happy Holiday Season.

Sincerely,  
Najeeb A. Khan  
President & CEO

## Year-End Webinars

IOI® offers complimentary year-end planning sessions to all its current clients. These General Webinar Sessions cover topics such as compliance, tax updates and how the Affordable Care Act might impact your company in 2015 and beyond.

**We welcome you to access these recorded sessions by logging into the Learning Center located in IOIPay®.**

## 2015 HSA Limits

### Max Contribution Levels

**Individual, Self-Only Coverage: \$3,350**

**Family Coverage: \$6,650**

**Catch-UP Contribution (over 55): \$1,000**

## 2015 Rates & Limits

	Wage Base	Rate	Amount
Social Security	\$118,500	6.2%	\$7,347
Medicare	≤ \$200,000	1.45%	\$2,900
	> \$200,000	2.35%	Unlimited
401(k) 403(b) 408(k) 457(b)			
18,000+6,000 = Over 50			
408(p)			
12,500+3,000 = Over 50			

# Compliance & Tax Alerts

## Quarterly Company Package Information

Make sure you open and read your quarterly tax packets. Page two (2) of the packet indicates whether or not *IOI*<sup>®</sup> will generate an ACH credit or debit against your bank account for over or under collection of taxes for that quarter and when that transaction will take place. Company packages are available by the 20th of the month following the calendar quarter end.

## Flexible Spending Plan

Under the terms of the Affordable Care Act, a plan can now have either a rollover or a grace period. Employees should check with their plan administrator for the unused amounts remaining in their account at the end of the plan year. **In 2015, the maximum amount an employee can contribute to their Flexible Spending Plan will be \$2,550.**

## Federal Unemployment Tax (FUTA)

**FUTA Credit Reduction:** Many states borrowed money from the federal government to keep the unemployment coffers solvent. States had until November 10, 2014 to repay the loan to the federal government or be subject to the additional FUTA Credit Reduction for 2014. If you are an *IOI*<sup>®</sup> tax-filing client in a FUTA credit reduction state, *IOI*<sup>®</sup> will be collecting this tax before the end of December 2014. **Per the USDOL, the FUTA Credit Reduction states for 2014 are: California, Connecticut, Indiana, Kentucky, New York, North Carolina, and Ohio.**

## 2015 Tax Changes

Several states may pass laws prior to the end of the year, which may go into effect on January 1, 2015. State minimum wage rates may be affected as well as withholding tables/rates, and unemployment wage bases. You would be able to find this information by visiting your respective state revenue and/or unemployment insurance websites.

## Work Opportunity Tax Credit (WOTC)

Legislation is still pending on the Work Opportunity Tax Credit for 2014. While waiting for the federal government to extend or eliminate this credit, information is being submitted to the proper state agency. *IOI*<sup>®</sup> can assist with the certification and reporting process with its WOTC service.

## W-2 Healthcare Premium Reporting

In 2014, employers with 250 or more W-2s will be required to report the cost of employer-sponsored group health care plans on employee W-2s. This information is for reporting purposes only and is not taxable income to the employee. You can choose to enter the amounts once a year at year-end or you can start now and record the costs on a payroll-by-payroll basis. Call your *IOI*<sup>®</sup> customer care representative at 888.697.0021 to learn how to get started.

# Tips & Tools

## Onboarding and Applicant Tracking

Manage the hiring process from beginning-to-end. Applicant tracking lends the ability to create job postings, utilize candidate matching solutions and source candidates from leading job boards. Onboarding allows employees to review and sign important documentation (e.g. I-9, W-4, Proof of Citizenship, etc.) and employers to automate the data import into payroll.

## ESS Updates

A new system setting has been added to allow "Advance Administrators" the ability to hide terminated employees from being displayed on the check stub screen.

## Document Storage Enhancement

Document storage now allows you to attach multiple documents to an employee record. Document storage saves you time and money by storing documents online such as W-4, I-9, performance reviews, resumes, applications, enrollment documents and employee photos. Demo our new document storage feature by logging into *IOIPay*<sup>®</sup> and clicking on "Documents" at the top right menu.

## HRIS/Performance Review

Email notifications can now be set up to alert a supervisor when their employee is due for a review.

## HRIS/Benefits

Benefits can now be managed on the "Employee Benefit" screen to flow into deductions.

## *IOI* Time/Single Sign-On

Client Admins may now navigate between *IOIPay*<sup>®</sup> and *IOI* Time through a single sign-on.

## *IOIPay*<sup>®</sup>/Hours & Dollars

New functionality enables clients to customize columns on the "Detailed Hours Entry" screen, making entering hours a breeze.

## *IOIPay*<sup>®</sup>/Demographics

You now have the ability to run a "Check History Report" from the demographic screen. You can pull history for the employee you are viewing by clicking on the button at the bottom of the screen.

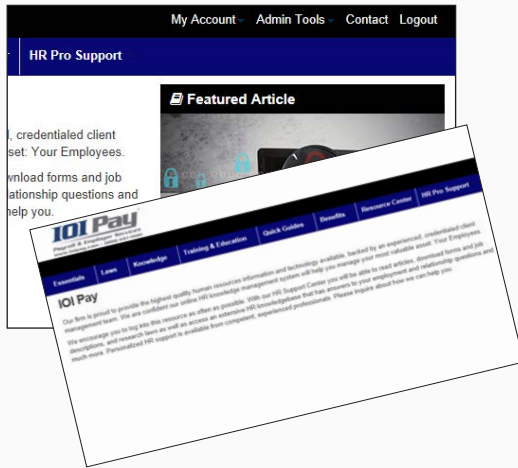
## W-2 Employer Health Care

Call Customer Service to hear about how *IOI*<sup>®</sup> can help you report employer portions.

# Featured Ancillary Service

## Human Resource Support Center

### Save Time. Let the Experts Work for You!



Do you spend hours searching the web for employment laws and don't know where to turn for answers?

As an IOI® client, the Human Resource (HR) Support Center is designed to help you. Available 24 hours a day, 7 days a week, you can connect to the web-based resource to:

- Download employee handbooks, forms, and health care reform articles
- Post unlimited employment law questions and receive answers to your questions
- Create and customize job descriptions
- Build employee performance evaluation forms, and more!

Available in basic or premium versions, our HR Support Center even offers "Notice of Exchanges & Subsidies" forms for ACA compliance and ACA FAQs.

**For more information, contact an IOI® sales representative today!**

**Call 888.697.0021, e-mail [salesinfo@ioipay.com](mailto:salesinfo@ioipay.com) or visit us at [www.ioipay.com](http://www.ioipay.com)**

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