# Volunteers, Boards and Commissions

## *Purpose*

The purpose of this recommended practice is to describe the generic steps required for entries in OSPA when an agency has board(s) or commission(s) as a part of the agency's program(s).

ORS 292.495 provides authority for an agency to compensate board and commission members $30 per day for time spent in the performance of official duties. It also provides for the agency to reimburse board and commission members for actual and necessary travel and other expenses incurred. The enabling legislation for specific boards and commissions may provide for a different amount of compensation. The compensation is subject to federal and state income tax withholding, social security and Medicare taxes, Workers' Compensation insurance, and Workers' Benefit Fund assessments. It is not subject to mass transit tax or unemployment tax. Expense reimbursements follow the same requirements as employee expense reimbursements. (See OAM 40.10.00 PO Travel and OAM 45.40.00 PO Payment of Employee Expenses through OSPA.)

To generate payments for a member of a board or commission, make the applicable entries on the P050 Gross Pay Adjustments on File. For OSPA to calculate and report the Workers' Compensation subject wages and hours, enter the daily compensation with an hourly rate (RATE on the P050) and the number of hours (UNITS on the P050). See Notes.

## *Authority / References*

IRS Definitions: Classification of Elected and Appointed Officials:
http://www.irs.gov/govt/fslg/article/0,,id=110343,00.html
ORS 291.405 Assessment of state agencies for mass transit purposes; rates
ORS 292.495 Compensation and expenses of members of state boards and commissions
ORS 656.005 (30) Definitions "Worker" (Workers' Compensation)
ORS 657.065 (2) (b) Employment; governmental service excluded, exceptions
OAM 40.10.00 PO Travel
OAM 45.40.00 PO Payment of Employee Expenses through OSPA

# Scope / Applicability

This recommended practice applies to agencies that compensate members of their boards and commissions or record their assumed wages in OSPA.

# Responsibilities

| Entity | Responsibility |
|---|---|
| Agency Program Area | • Notifies agency Personnel and Payroll Offices of board or commission membership, compensation rates, and applicable statutes and rules<br>• Notifies agency Personnel office of any changes in board or commission membership<br>• Forwards meeting dates, times, and attendees to agency payroll office prior to run 2 final<br>• Approves expense reimbursements and forwards to agency payroll office |
| Agency Personnel Office | • Enters each current board or commission member in the PPDB |
| Agency Payroll Office | • Makes the necessary entries to set-up board and commission members in OSPA<br>• If agency policy, establishes and documents standard hours that will be used for meeting duration. See Notes, P050 Fields.<br>• Prior to run 2 final for each applicable pay period makes P050 entries for each board or commission members' compensation and expense reimbursements |
| DAS Risk Management | • After each run 2 final, reports SAIF subject hours and wages to SAIF Corporation, the state's insurer<br>• Assesses agencies for Workers' Compensation Insurance |
| OSPS | • Maintains Payroll Benefit Package Table in OSPA<br>• Distributes XREF21 WBF Assessment & SAIF Premium Summary Report to Risk Management after each run 2 final<br>• Reports and pays federal and state income, social security, and Medicare taxes, and Workers' Benefit Fund Assessment |

## SYSTEMS / APPLICATIONS

| System / Application | Functionality |
|---|---|
| OSPA | • Produces payments for board and commission members<br>• Calculates, withholds, and reports federal and state withholding, social security, and Medicare taxes, and Workers' Benefit Fund Assessment<br>• Produces reports after each final payroll run |

# Prerequisites

An Agency Personnel Office staff member must enter each board or commission member in the PPDB before agency payroll staff members can make entries in OSPA.

# Recommended Practice

| Action | More |
|---|---|
| 1. Confirm data interfaced from the PPDB to OSPA on the P030 Job Status Data for each board or commission member, including:<br>▪ **SSN** – member's SSN<br>▪ **JOB STAT STOP** – 999999, a current record<br>▪ **BENEFIT PKG CD** – BB (Board member)<br>▪ **PERS JOB CLASS CODE** – B (Board member)<br>▪ **WAGE BASIS CD** – U (undefined)<br>▪ **PERSONNEL BASE RATE** – 0.0<br>▪ **ADJUSTED BASE** – 0.0<br>▪ **PERSONNEL PAY RATE** – 0.0<br>▪ **EQUIVALENT RATE** – 0.0<br>▪ **HOLIDAY PKG CD** – N<br>▪ **O-T / FLSA CD** – Y/N<br>▪ **TIMESHEET CD** – N<br>▪ **EMPLOYEE ID** – PPDB assigned, OR####### | See OSPA Screen Descriptions, P030. |

| Action | More |
|---|---|

```
P030      OR#######,#####,1,999999        JOB STATUS DATA                    030
       LASTNAME, FIRSTNAME

    *** JOB STATUS INFO ***                      *** CONCURRENT JOB INFO ***
  JOB STAT START/STOP    030116/999999          REPORT DISTR CD      100
  PERS AGY/POS/DFC/SC    #####/0795592/E/0      RECOG SVC DT         022116
  PT-FT CD/PCT           P/0.0000               CITY CNTY CD         24/M
  APPOINTMENT TYP DT/CD 022116/P                STANDARD HRS PER DAY 8.000
  EMP REPR/CLS/OPT/STEP B   /Y7500 /A/E/00      MASS TRANSIT DIST    S
  PERSONNEL TRANS CD     450                    TIMESHEET CD         N
  BENEFIT PKG CD         BB
  LEAVE ACCRUAL SVC CD   N                      EMPLOYEE ID          #########
  PERS JOB CLASS CODE    B
  CREW-UNIT              45520
  WAGE BASIS CD          U
  PERSONNEL BASE RATE        0.00       ---FUND SPLITS---     -FIXED MLY DIFFS--
  ADJUSTED BASE              0.00      LABOR COSTING  PCT     PAY   PCT/   PCT/
  PERSONNEL PAY RATE         0.00                             TYPE  AMT    AMT
  EQUIVALENT RATE            0.00                                   CD
  HOLIDAY PKG CD         N             071892511100   1.0000
  LOA BEG DT/CD/END
  SEPARATION DT/REASON
  O-T/FLSA CD            Y/N
  LAST PA NUMBR/TRAN DT        030707
```

2. Enter the following on the P010 Withholding Data / Locator Data for each board or commission member:
   - **FEDERAL** and **STATE STAT**, **EXEM**, and **ADDL** based upon submitted W-4
   - **RTMT SYST** – N
   - **RTMT STAT** -- N
   - **FICA SUBJ** – Y
   - **SAIF SUBJ** – Y
   - **UNEM SUBJ** -- N

See OSPA Screen Descriptions, P010

```
P010   OR####### #####                 WITHHOLDING DATA / LOCATOR DATA      010
      LASTNAME, FIRSTNAME               WH63 INQUIRY ONLY THIS AGCY

   RDC/CREW/CST CTR         100
 ? TAX DATA FOLLOW-UP FLAG:        N
 ? FINAL CHECK ISSUED:        000000
 ? FINAL CHECK PERIOD ENDING: 000000
 ? RETIREMENT START DATE:     000000


  EFF     ----FEDERAL----  -----STATE-----  EIC  RTMT RTMT RTMT   FICA SAIF UNEM
  DATE    STAT EXEM  ADDL  STAT EXEM  ADDL   CD  SYST STAT ACCT   SUBJ SUBJ SUBJ
 ? 033116   S   00   0000   S    00   0000   N    N     N 000000    Y    Y    N
 ? 000000   S   00   0000   S    00   0000   N    N     N 000000    Y    Y    Y

   ----WAIVERS----
 CLASS DATE   CLASS DATE   CLASS DATE   CLASS DATE   CLASS DATE   CLASS DATE
  ?            ?            ?            ?            ?            ?
```

| Action | More |
|---|---|
| 3. Make entries on the P050 Gross Pay Adjustments on File for the compensation and reimbursements:<br>▪ **PAY TYP** – see Notes<br>▪ **ADJ TYP** – will default to A (one-time)<br>▪ **RATE** – see Notes<br>▪ **UNIT** – see Notes<br>▪ **COMMENT** – audit trail for entry | See OSPA Screen Descriptions P050. |

```
P050   OR#######,#####,1,043016        GROSS PAY ADJUSTMENTS ON FILE
      LASTNAME, FIRSTNAME

   PAY  STRT    STOP ADJ                                DAYS    TRAN
   TYP  DATE    DATE TYP   RATE    UNITS    AMOUNT      WRKD    DATE   ERROR MSG
? ER   043016 043016 A                       111.55           042016
                                                              COMMENT 230 MI 0413

? MST  043016 043016 A                        19.50           042016
                                                              COMMENT MEALS 0413

? PD   043016 043016 A     3.75      8.00     30.00           042016
                                                              COMMENT MTG 0413
```

# Notes

## P050 Gross Pay Adjustments on File Fields

**ADJ TYP** – On the P050, the ADJ TYP defaults to A (one-time).

**AMOUNT** – For the daily compensation for a board or commission member, allow OSPA to calculate the AMOUNT from the RATE and UNITS in hours entered. See Workers' Compensation below.

For reimbursement of expenses, you do not need to enter RATE and UNITS, just enter the AMOUNT of the reimbursement.

**PAY TYPE** – Currently, the BB benefit package has the following pay types:

| Pay Type | Description | RATE | UNITS | AMOUNT | Worker's Comp |
|---|---|---|---|---|---|
| AW | Assumed Wages (not compensated) | Federal minimum wage | Time spent in official capacity | OSPA calculated | ASSUMED WAGES column on XREF21 |

| Pay Type | Description | RATE | UNITS | AMOUNT | Worker's Comp |
|---|---|---|---|---|---|
| ER | Reimbursement of expense | | | Amount of expense | |
| ILN | Non-taxable in-state lodging | | | Amount of expense | |
| MS | Reimbursement of taxable meals – paid through accounts payable, non-cash entry in OSPA for tax purposes | | | Amount of expense | |
| MST | Taxable meal allowance – cash payment through OSPA | | | Amount of allowance | |
| PD | Board or commission per diem (compensation) | Daily compensation rate ÷ UNITS | Time spent in official capacity | OSPA calculated | SAIF SUBJECT on XREF21 |

**RATE** – ORS 292.495 establishes a **daily** compensation rate of $30.00. The board or commission's enabling legislation may establish a different rate. For OSPA to calculate workers' compensation you will need to enter an **hourly** RATE and UNITS (number of hours). Calculate an hourly rate that will result in an AMOUNT equal to the daily compensation rate.

**UNITS** – For OSPA to calculate workers' compensation, you will need to enter RATE and UNITS.

With boards and commissions, it may not be cost-effective for the agency to track actual hours of each meeting and make the necessary calculations to determine the RATE for meetings with varying lengths. The Department of Consumer and Business Services offers the following guidelines on their web site http://www.oregon.gov/DCBS/pages/index.aspx

> Employers of individuals who are salaried, paid on commission, paid "by the piece," or who work on an honor system, are not required to track actual hours worked. If hours are not tracked, choose the method that ensures the most reasonable estimate of hours worked. Employers who determine total hours using a flat-rate calculation should use 173.33 hours per month, 40 hours per week, or 8 hours per day (prorated for part-time).

If hours are not tracked but the employer has information available showing hours worked, such as a contract, this information may be used to determine or reasonably estimate hours worked. However, if any method other than actual tracking or the flat-rate calculation is used to determine a reasonable estimate of hours worked, the employer must document the method used in case of an audit.

**Workers' Compensation** – The time board and commission members spend in an official capacity is subject to Workers' Compensation coverage. OSPA needs an hourly RATE and UNITS in hours on the P050 to calculate and report the Workers' Comp subject hours and wages and to calculate the Workers' Benefit Fund Assessment. For the PD and AW pay types, enter RATE and UNITS (hours, not days) on the P050 to ensure proper reporting for workers' compensation coverage.

## Exceptions

## Troubleshooting

## Supporting Documentation / Forms

## Resources

Worker's Benefit Fund, Department of Consumer and Business Services, web site: http://www.oregon.gov/DCBS/Pages/wbf.aspx

## Reports

B075B Gross Pay Adjustments
XREF45, XREF44, XREF45, XREF46, XREF46D Payroll Register
XREF21 WBF Assessment & SAIF Premium Summary Report

## Attachments

# Revision History

| Date | Rev. No. | Modification |
|---|---|---|
| 04/24/07 | 1.0 | Original |
| 07/13/07 | 1.1 | Clarify WBF, unemployment, & mass transit |
| 05/13/16 | 1.2 | Updated web links |