

ITS Business Requirements Document

SR83522 - 2012 OASDI Wage Base Increase and Employee OASDI Rate Change
Payroll

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1 Business Need Section

1.1 Objective:

Increase the Old Age, Survivors, and Disability Insurance (OASDI) Wage Base and increase the employee OASDI rate from 4.2% to 6.2% for 2012.

1.2 Issue Tracker Reference

Corresponding Issue Tracker Number, if applicable: PPS_RSCH-255

1.3 Project Type:

➤ Other
System Parameters Table Update

1.4 System

➤ PPS
Additional System Information:

1.5 Requested by:

Marcia Johnson – Payroll Coordination and Tax Services

1.6 Implementation Deadline:

1.6.1 Urgency

➤ Date Mandated
Additional Urgency Information:

1.6.2 Deadline Information

The 2012 OASDI Wage Base Increase and the employee OASDI rate increase must be applied to the control tables after the last compute for December 2011 earnings and before the first compute for January 2012 earnings.

1.7 Statement of Business Need:

The Social Security Administration (SSA) announced that the 2012 OASDI Wage Base will be \$110,100.00, up from \$106,800.00. The Tax Relief Act of 2010 reduced the employee OASDI rate for 2011 from 6.2% to 4.2%. Per the Social Security Administration, the rate is scheduled to go back to 6.2% for 2012. The Medicare tax rate has and will remain at 1.45%.

1.7.1 Additional Background

Attachment: UPAY 559

1.7.2 Return on Investment

N/A

1.8 Current Process:

The current OASDI wage base is 106,800.00.

The employee OASDI rate is 4.2%.

1.9 Proposed Process

1.9.1 Proposed process from a functional perspective

Increase the OASDI Wage Base to \$110,100.00.

Change the OASDI employee rate from 4.2% to 6.2%.

1.9.2 Proposed changes to system inputs and outputs

Update the Systems Parameter Table (Param. No. 001 and 002)

1.10 Processing Considerations:

- This update must be applied to the Systems Parameter table after the last compute for December earnings but before the first compute for January earnings and before the January (second) execution of program PPP570, the Benefits Premium Audit.

2 Scope and Estimate Section

2.1 Scope

➤ Small
Additional Scope Information:

2.2 Assumptions

- QA is not required.

2.3 Overview of Changes

The System Parameter update transaction will be applied via program PPP004.

2.4 Estimate

In initial phase, provide work hours/days. After requirements, this can be revised and dates added.

Task	Estimated Work Hours/\$ Based on Business Needs	Working Days*	New Estimate Based on Functional Requirements? (Enter new estimates if applicable)	New Estimate Based on Technical Spec? (Enter new estimates if applicable)	Actuals After completion
Requirements Gathering	0				
Technical Specification Preparation	0				
Mainframe Development	4 hours	1 day			
Web Development	n/a				
QA	n/a				
User Acceptance Testing					
Release Preparation	2 hours	.5 days			
Installation in Production	10 hours	1 day			
Total	16 hours	2.5 days			

Costing: 16 hours * \$69/hour = \$1,104

* Estimate Notes:

- Working days may take into account productivity adjustments, overlap between phases, and multiple resources working on a phase at the same time. Working days do not include weekends.
- Requirements Gathering elapsed time allows time for document approval.
- Costs associated with estimated work hours are figured using an hourly cost of \$69 if a PAIII is assigned the task and \$84 if a PAIV is assigned.

2.5 Time Dependencies

See Processing Considerations above.

2.6 Scope and Estimate Approval

2.6.1 Approval by ITS QA Manager

Version	Date	Name
1.0		n/a – not required.
2.0		n/a – not required.

2.6.2 Approval by ITS Programming Manager

Version	Date	Name
1.0	11/9/11	Bob Franks
2.0	11/18/11	Bob Franks

2.6.3 Approval by Hosted Applications Manager

Version	Date	Name
1.0	10/27/11	Christopher Scott
2.0	11/16/11	Christopher Scott

2.6.4 Approval by Requesting Department Manager

Version	Date	Name
1.0	10/31/11	John Barrett
2.0	11/16/11	John Barrett

3 Functional Requirements Section

3.1 Overview of Modifications

Change to System Parameter Table.

- Control Table Updates: System Parameter Table
- EDB Maintenance:
- History (HDB, CDB) Process:
- Compute Process:
- Distribution of Expense:
- Consolidated Billing and Self-Billing:
- Merit/Range/ATB Processes:
- Other Processes:
- One-time Processes:
- Interface Files:
- Other Tax Processing
- CICS Screen/Web Page Modifications:
- Online Help Modifications:
- Reporting and Notification:
- Forms:

3.2 Control Table Updates

Req. ID	Requirement Type/Category	Requirement Description
R001	Control Table	Table 01 System Parameter Table. Parameter 001, OASDI Max Gross should be updated from 106,800.00 to \$110,100.00. Parameter 002, OASDI Deduction Percent should be updated from 4.2 to 6.2. See attached UPAY form.

3.3 Functional Requirements Approval

Version	Date	Name
1.0	10/31/11	John Barrett
2.0	11/16/11	John Barrett

4 Revision History

Version	Date	Name	Description
1.0	10/26/11	Elizabeth Burkart	Initial version
1.1	10/26/11	Maxine Gerber	Added scope, development estimate and processing considerations.
1.2	10/27/11	Beth Burkart	Functional Requirements. Added UPAY form. Added release prep time. Added Christopher's estimate/approval. Added Costing. No QA required.
1.3	10/31/11	Beth Burkart	John Barrett's approval, removed draft watermark in prep for posting.
1.4	11/4/11	Marcia Johnson	Updated Implementation timing wording.
1.5	11/9/11	Beth Burkart	Bob's approval. Ready to post.
2.0	11/16/11	Marcia Johnson	Added requirements for OASDI percent.
2.1	11/18/11	Maxine Gerber	Added final approvals Finalized document