



### BHMT Individual Stipend Program

The “BEN” code was established in the TIME system in 2010 to exclusively track BHMT stipend hours for benefit accrual purposes. BHMT has partnered with KP National Payroll so Individual Stipend participants in those Regions using the TIME system may have their stipend benefits processed/paid directly from the “BEN” code usage report provided by KP to the Trust at the close of each pay period.

**PARTICIPANTS:** please make sure that your supervisor and your timekeeper are aware of this notice and that your Stipend hours are being coded correctly.

**SUPERVISORS:** please share this information with your department’s timekeeper. If you are no longer the supervisor, please forward to the correct person, and let us know who the new supervisor is.

### I am in the SCAL, NCAL, HI, GA or NW Region. What do I do?

STIPEND PARTICIPANTS / TIMEKEEPERS: \_\_\_\_\_

- All Stipend hours should be coded via the “BEN” code in the TIME system as part of your regular KP payroll process.
  - The “BEN” code is an unpaid code in the TIME system – since the Trust is issuing the payment, not KP. Stipend hours reported here will appear as “Unpaid Union Business” in the Current Pay Period column on employee check stubs with no dollar amount attached.
- All “BEN” hours MUST be entered into the current pay period prior to the close of each bi-weekly payroll. No Reduced Hours Report (RHR) form is needed if this timeline is met.
- No “BEN” hour entries made after the close of the pay period – or retro-adjustments for previous pay periods –are captured by the reports sent to BHMT by KP National Payroll. Any late entries need to be reported to BHMT via the RHR to be paid – in addition to any adjustments made into the TIME system. Please refer to the **BHMT Individual Stipend Program Q&A** document or go to [bhmt.org/individual-stipend-program](http://bhmt.org/individual-stipend-program) for details on how to complete and submit the RHR form.
  - Please note in the comments section that it is for hours missed through the TIME system when completing the form.
  - No RHR forms will be processed without the supervisor’s signature.

MANAGERS / SUPERVISORS:

- When approving timecards for each payroll period before passing them along to your local timekeeper, please continue to approve/deny “BEN” coded hours per the same criteria you have always used:
  - Only approve the number of “BEN” hours that have actually been reduced from an employee’s KP work schedule.
  - There is a maximum 16 “BEN” hours allowed per pay period for the Individual Stipend Program. Typically, this means 8 hours maximum per week. Those employees who work 10 or 12 hour shifts may claim 10 or 12 hours “BEN” time per day, but are still not allowed to report more than 16 total “BEN” hours per pay period.
  - Reducing a work schedule by the typical 8 Stipend hours will require employees to have a minimum of 12 KP paid hours per week (24 KP paid hours per pay period for flexible schedules) to be eligible to take “BEN” hours. In other words, part-time employees must have a minimum of 24 KP paid hours per pay period to be able to charge 16 hours of “BEN” time per pay period. Participants who have less than 40 combined Stipend and KP Paid hours in any pay period will not be eligible for the stipend pay.
  - For stipend eligibility purposes, KP paid hours are the sum of regular, overtime, vacation, sick, holiday, jury duty, and comparable hours for which the participant will receive pay from Kaiser. KP paid hours do not include stipend hours which are paid by the BHMT.



### TIMING OF PAYMENTS

KP National Payroll reports all "BEN" hour usage to BHMT by the Tuesday following the close of each pay period. If your BEN hours have been reported correctly, they will appear as "Unpaid Union Business" in the Current Pay Period columns on your check stub, and you can expect the following for payment of Stipend hours:

- If you have Direct Deposit established with BHMT, Stipend payments will fund to your account the same Friday as your regular KP payroll for the same time period.
- If you do not have Direct Deposit established with BHMT, a live check will be mailed to the address that is listed on [MyHR](#). Checks are printed and mailed the Thursday following the close of payroll, meaning checks will arrive the week after your regular KP pay day.
- If you have to manually report your Stipend hours via the RHR form – and have faxed them to the BHMT office prior to COB the Tuesday following the close of payroll – you can still expect the same payment timing as if your hours had been reported through the TIME system.
- Any RHR received after the COB the Tuesday following the close of payroll will be processed in the following week's check run.

### What if I am from the Mid-Atlantic, or Colorado Region?

Participants in regions that use KRONOS (CO, Mid-Atlantic) must code stipend hours to the "STIPEND" code as part of your regular payroll process. The RHR form is to be used in these regions only as an emergency back-up reporting mechanism.

### TIMING OF PAYMENTS

- If you have Direct Deposit established with BHMT, and your RHR is received by COB the Tuesday following the close of payroll, Stipend payments will fund to your account the same Friday as your regular KP payroll for the same time period.
- If you do not have Direct Deposit established with BHMT, a live check will be mailed to the address that is listed on [MyHR](#). Checks are printed and mailed the Thursday following the close of payroll, meaning checks will arrive the week after your regular KP pay day.

### All Regions

The BHMT-issued stipend payment is gross pay with no taxes/withholdings taken from it.

- Each pay period, the Trust reports back to KP National Payroll the amount of stipend payments made to its participants. KP then processes your stipend's taxes/withholdings from your next regular KP paycheck.
- When KP is processing the stipend's taxes/withholdings, you will see your previous pay period's BHMT stipend payment appear as a dollar amount on your KP paystub as "BHMT Stipend" with no hours attached. Both individual pay period and YTD payments of your BHMT stipend are tracked here on your KP paystub. No additional paystub documentation is issued by the Trust.
- Since KP is the entity that processes and pays your taxes/withholdings for your stipend payments, both your stipend and regular KP pay will roll up together in Box 1 on your KP W-2 form at year end for tax purposes. No additional tax documentation is issued by the Trust.