

Helpful Resources and Documents:

- GAO Technical Bulletin [05-04 Prioritization of Request for Manual Payroll Warrants](#)
- GAO Technical Bulletin [05-04S Supplement Technical Bulletin 05-04 Additional Requirements](#)
- HRIS Training - [Manual Payments](#)
- A.R.S. [§ 14-3971](#) – Collection of personal property by affidavit; ownership of vehicles; affidavit of succession to real property

Forms:

- [GAO-36A](#) Affidavit of Spouse for Collection of Compensation Due Decedent
- [GAO-36B](#) Affidavit of Successor for Collection of Compensation Due Decedent
- [GAO-36C](#) Affidavit of Personal Representative for Collection of Compensation Due Decedent
- [GAO-99A](#) Request to Review and Process Manual Payroll Warrants
- [IRS Form W-9](#) Request for Taxpayer Identification Number and Certification

Agency Payroll Functions:

1. Ensure GAO Affidavit and IRS Form W-9 are complete and valid
2. Complete the Checklist for Processing Deceased Employee Compensation (below)
3. Process and Review manual payment

Deadlines:
 ZR80.1 - All payments must be added before 12:00 pm (Noon)
 GAO-99A and any required supporting documentation must be received by GAO by 12:00 pm (Noon)

Upon notification of an employee’s death, all wages are immediately frozen. Any wages due the decedent must be paid through the handwrite system in the HRIS in compliance with GAO Technical Bulletin 05-04 and 05-04S. Payments will be made upon receipt of Form GAO-36 (either A, B or C) and IRS Form W-9. If no beneficiary claims the wages, payment should be made after 180 days or the first day of the next calendar year, whichever is later, and will be submitted to the Arizona Department of Revenue Unclaimed Property Division.

AGENCY PAYROLL CHECKLIST FOR PROCESSING DECEASED EMPLOYEE COMPENSATION

1. Notify Agency Human Resources to change status to U1 – Deceased Pending
2. Notify Agency Payroll:
 - Do not key Leave Without Pay after the day of death
 - Delete any pending time records
 - Coordinate with Agency Human Resources to reverse any payments made after the date of death using GAO-70 or GAO-70B forms
3. End date all direct deposit accounts on XR12.1
4. End date any Standard Time Records on ZR30
5. Cancel bus card and request final billing using the reason “Dismissed” on AZ10.1
6. End date voluntary deductions on PR14.1 (SECC, Union Dues, Deferred Comp. or TSA) use death date
7. Disable Tax Deductions on PR13.7 and End Date Tax Deductions on PR14.1 – use death date:

	Federal & State Tax	Social Security & Medicare	Deduction Codes to Disable: Disable taxes on PR13.7 (Location = PAYROLL) End date deductions on PR14.1 using death date
Wages paid IN SAME calendar year as employee’s death.	Exempt	Taxable	T101 and T201
Wages paid AFTER calendar year of employee's death.	Exempt	Exempt	T101, T102, T103, T104, T105 and T201 MQGE EE: T101, T106, T107 and T201

- 8. Notify Agency Human Resources to mail survivor memo, all three GAO-36 forms (State cannot advise which form to use) and IRS Form W-9. Memo should include a description of enclosures. Explain that one (1) of the GAO 36 forms **AND** Form W-9 must be completed. Provide an address for return of completed forms. Provide contact information of someone they can call with questions.

The following deductions may be taken from the payment:

- a. Social Security and Medicare taxes if payment made in same year as death
- b. Garnishments, Levies, Child Support as required by law
Contact GAO Central Payroll Garnishments at (602) 542-6082 if you have questions.
- c. Benefits Deductions (Health, Dental, Vision etc.)
 - If payment is not enough to cover deductions, contact your benefits liaison.
 - If payment is only for accrued leave payout (no working hours) benefits are NOT deducted - use cycle 5.
- d. Retirement and LTD Deductions
- e. One-Time Deductions (final bus card charges, benefits arrears, computer purchase etc.)

REQUIRED DOCUMENTS

Submit the following documents with the GAO-99A:

AFFIDAVIT GAO-36A or GAO-36B or GAO-36C and Letters of Appointment of Personal Representative
IRS FORM W-9: Name and signature must match affidavit.

AFFIDAVITS & REQUIRED DOCUMENTS

Affidavit	Payable To*	\$ Limits	Timing	Required Documents*
GAO-36A	<u>Surviving Spouse</u> or <u>Person acting on behalf of Surviving Spouse</u>	Payment of compensation due cannot exceed \$5,000 in gross	No waiting period	W-9 with spouse SSN or W-9 with SSN of Person acting on behalf of spouse
GAO-36B	<u>Successor</u> or <u>Person acting on behalf of Successor</u>	Value of all the personal property in the decedent's estate does not exceed \$75,000	GAO-36B notary date must be at least 31 days after date of death	W-9 with Successor SSN or W-9 with SSN of Person acting on behalf of successor
GAO-36C	<u>Personal Representative</u> or <u>Estate of Decedent</u>	Any amount due, regardless of the total value of the estate	GAO-36C date must be within 60 days after the Letters of Appointment of Personal Representative certification date.	Letters of Personal Representation certified by the clerk of any Superior Court and W-9 with Personal Rep SSN or W-9 with Estate TIN
*The W-9 Tax ID provided (SSN or TIN) must be the proper Tax ID for the "Payable To" name.				

Upon receipt of valid and completed required documents:

- 9. Contact Agency Human Resources to change only the employee's name to match recipient's name **DO NOT CHANGE THE SOCIAL SECURITY NUMBER**
- 10. Process payment through the handwrite system in the HRIS in compliance with GAO Technical Bulletin 05-04 and 05-04S. Submit W-9, Affidavit and any additional documents with the GAO-99A **DEATH CERTIFICATE IS NOT REQUIRED TO PROCESS THE PAYMENT**
- 11. After payment processes, ensure all leave balances are zero, except for Sick leave balances ≥ 500 hours. Agency should contact the Retiree Accumulated Sick Leave (RASL) Program if Sick leave balance is ≥ 500 hours to determine RASL eligibility
- 12. Contact Agency Human Resources to change name back to employee's name **and** change the status to U2

UNCLAIMED WAGES

In the event a beneficiary fails to submit required documents or no beneficiary exists, wages will be turned over to the Arizona Department of Revenue's Unclaimed Property Division 180 days after death or the next calendar year, whichever is later. Payment will be made in the name of the decedent and immediately expired.

1. Complete items 1-7 on the Agency Payroll Checklist for Processing Deceased Employee Compensation
2. After the 180-day or end of calendar year waiting period, process payment through the handwrite system in the HRIS in compliance with GAO Technical Bulletin 05-04 and 05-04S. In the GAO-99A comments section, include the date of death and "Abandoned Wages – send to Unclaimed Property". Death certificate, Affidavit and W-9 are not required
3. GAO will send Agency payroll a copy of the warrant to be placed in the employee's file
4. GAO will submit the warrant to Arizona Warrant Reconciliation (AWR) for accelerated expiration. AWR will expire the warrant and report the wages to unclaimed property on the 1st of the following month
5. Refer any future inquiries to AZ Department of Revenue's Unclaimed Property Division website <http://www.azunclaimed.gov>
6. After the handwrite processes:
 - Ensure all leave balances are zero. Sick leave hours \geq 500 should remain as they may be eligible for payment by the Retiree Accumulated Sick Leave Program
 - Contact Agency Human Resources to change the status to U2