

Wisconsin Retirement System (WRS)

WRS Military Leave, USERRA, and Workers Compensation Reporting

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Topics

- Uniformed Services Employment and Reemployment Rights Act 1994 (USERRA)
- Retirement Credit for Military Service
- USERRA compliance (Member and Employer)
- Reporting
- Examples
- Workers Compensation Credit

Military Leave and USERRA

- WRS Military Service Credit can enhance a retirement benefit for those members with active military duty prior to 1974
- USERRA provides a make-up retirement credit to uniformed service employees

Encourage your employees to submit a copy of their DD-214 to ETF

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USERRA Retirement Crediting

USERRA allows for employee required make-up contributions to a contributory defined benefit plan (such as the WRS) beginning with the date of reemployment and ending on the earlier of:

- Three times the period of military service
- **or**
- five years

Employees have the choice to repay all, some or none of the mandatory employee required contributions

Employees cannot be required to pay interest charges

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Qualifying Uniform Service

- Active duty
- Active duty for training
- Inactive duty for training which includes weekend drills if part of a normal scheduled work week
- Annual training
- Training for which orders are given
- Time a person is absent for the purposes of a fitness exam

(Any uniform service may be volunteer or required duty and/or training)

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Employee Responsibilities

1. Notify employer of military leave
2. Leave the military under honorable conditions
3. Return to same employer within the following time limits depending on length of service
 - Fewer than 31 days; report on next regular scheduled workday after receiving adequate travel and rest
 - 31 – 180 days; return within 14 days after completion of service
 - More than 180 days; return within 90 days after completion of service
4. Provide employer with a copy of his or her leave and earnings statement or DD-214 showing the date of entry and discharge

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Two Reporting Options

1. For employee covered under a collective bargaining agreement (CBA) which requires the employer to pay *all* employee required contributions, report hours and earnings like any other active employee
2. If employee is *not* covered by CBA, place that employee on an unpaid military leave of absence

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Reporting Option 2 Process

- The employee has not satisfied USERRA requirements until they return to the same employer
- Upon return employees choose repayment details
- Employer is obligated to make employer required contributions
 - And fund any additional obligations, including retroactive interest earnings on any contributions
- When employee returns to work, employer is required to submit *USERRA Certification* form (ET-4560) with a copy of employee's DD-214 or other military papers that show entry and discharge dates
 - If military service is 30 days or less, entry/discharge documentation not required

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USERRA Certification ET-4560

- Indicate percentage of payback
- Differential wage payments
- Breakdown of the qualifying time

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P.O. Box 7931
Madison, WI 53707-7931

USERRA Certification

Section A: Employee Information

Employee Name		Social Security Number	
Mailing Address		ETF Member ID Number	
City, State, Zip	E-mail (Optional)	Phone Number	

I understand that I have the option of paying back all, some or none of the Wisconsin Retirement System (WRS) employee-required contributions dating to the military leave of absence for which I am electing my rights under USERRA. At this point, I intend to make up: 100 % of the WRS employee required contributions. * (0 to 100%)

I have attached a copy of my DD-216 from the USERRA form for ET-4560 and receive a DD-216 based on the length of my service, a copy of my military orders or any other government-issued paperwork reflecting that my service was other than disqualifying under 38 U.S.C. 4303, to military service for a service period of less than 31 days.

Signature: _____ Date: _____

You should predict what impact, if any, the making up of missed WRS employee-required contributions may have on an individual's retirement benefits.

Section B: Employer Certification

I hereby certify that the employee above has met all of the qualifications for reemployment under the Uniformed Services Employment and Reemployment Act (USERRA) 28 U.S.C. 4304-4333.

This employee is subject to differential wage payments.

Employer Number	Employer Name
Certifying Person's Name	Title
Signature	Date
Phone	Ext.

Section C: Qualifying Time Period

Fill out one row for each qualifying calendar year. Based on 2011 Wisconsin Act 10, for calendar year 2011, please complete two rows. The first row should include pre-Act 10 employee category information, and earned hours and earnings. The second row should include post-Act 10 employee category information, and deemed hours and earnings.

Employee Category	Last date of employment or paid leave prior to USERRA-qualifying time (MM/DD/CCYY)	First date of employment or paid leave following USERRA-qualifying time (MM/DD/CCYY)	Teachers/Judges/Educational Support Personnel Only (January-June)		Calendar Year to Date (All Employees, including Teachers, Judges & Educ. Support Personnel)	
			Fiscal Hours of Service	Fiscal Earnings	Calendar Hours of Service	Calendar Earnings
30	03/31/2012	09/31/2012			1040	\$20800

In compliance with the Americans with Disabilities Act, ETF will provide help filling out this form upon request. You may request help by calling (877) 533-5020 or (608) 296-3285 local to Madison.

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ET 4560 (02/2012) etf.wi.gov

What To Expect From ETF

- ETF will produce an *estimate* of the make-up contributions due (as a result of the indicated repayment percentage)
- Distribute copies to employer and employee with the *Make-up Contribution Tracking form (ET-2573)*
- ETF initially provides the ET-2573 with the estimate; however, it's the employer's responsibility to generate and create a new form each month
 - All forms available online at:

etf.wi.gov/publications/employer.htm

USERRA Make-up Tracking Report (ET-2573)

- Complete and return form each month
 - Must correspond with box 4 (other payments) of the remittance report
- Not required if the total employee and employer contributions are paid **in full** and included on the current or following month's remittance report

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USERRA Make-up Contributions Monthly Tracking Report

Employees should use this report to document monthly installments of employee and employer make-up contributions made in connection with an employee who returns from a military leave of absence and elects his or her rights under USERRA to pay back a percentage of the WRS employee-required contributions dating to the employee's leave. This form is not required if the total employee and employer contributions are paid in a lump sum and recorded on the remittance report in the month the employee returns.

Send this form each month that USERRA employee-required and employer-required make-up WRS contributions are submitted on line 4 (Other Payments) of the employer's monthly remittance report on the ONE Site.

Employee Name: _____
Social Security Number: _____

Employer Name: _____

For use when employee chooses payment through multiple payroll deductions

The _____ (month), 20____ monthly remittance report includes the following USERRA employee-required and matching employer-required make-up WRS contributions:

Employee-Required _____ (amount)

Employer-Required _____ (amount) (include duty disability, previous service balance, and sick leave credit contributions if applicable. Please refer to your employee's USERRA estimate for instructions on calculating the employer-required total.)

Please submit this form to ETF via mail, fax or e-mail:
Employer Communications fax number: (608) 266-0133
E-mail: etfweb@etf.state.wi.us

"ONE" Remittance Screen

ENTRY SECTION

Employee Name and Address:

Agent Name: _____
Agent Title: _____
Employer Name: _____
Agent Address 1: _____
Agent Address 2: _____
Agent City: _____
Agent State/Zip: _____

Employer Identification Number: _____

Report Type: Regular

Normal Due Date: 03/31/2011

Reporting Month and Year (Enter as MM/YYYY): 02/2011

Date Entered: 03/01/2011

Requested Transfer Date (MM/YYYY): 03/01/2011

Employment Category Title (Code)	Employee Earnings	Total Rate	Total Contributions
General (Edm) Support Pers (00, 01, 17)		11.6	
Special Duties (Inc: Pay Plan (02, 05, 06, 07, 08, 09, 11)		0.0	
Protective with Soc. Sec. (03)		0.0	
Protective without Soc. Sec. (04)		0.0	
Teachers (10)		11.6	
Total Earnings			Sub-total of Contribution Rates

1. Over or Underpayment and/or Interest Due for Late Reported: _____

2. Additional Contributions: _____

3. Total Invoice Items (from below): _____

4. Other Payments: _____

5. GRAND TOTAL OF ALL LINES ABOVE (System will calculate the grand total): _____

Invoice Detail Section

Invoice Number	Amount	Invoice Number	Amount
Invoice 1		Invoice 4	
Invoice 2		Invoice 5	
Invoice 3		Invoice 6	

Indicate make-up contributions in box 4

1. Over or Underpayment and/or Interest Due for Late Reported	<input type="text"/>
2. Additional Contributions	<input type="text"/>
3. Total Invoice Items (from below)	<input type="text"/>
4. Other Payments	<input type="text"/>
5. GRAND TOTAL OF ALL LINES ABOVE (System will calculate the grand total)	<input type="text"/>

Invoice Detail Section

	Invoice Number	Amount		Invoice Number	Amount
Invoice 1	<input type="text"/>	<input type="text"/>	Invoice 4	<input type="text"/>	<input type="text"/>
Invoice 2	<input type="text"/>	<input type="text"/>	Invoice 5	<input type="text"/>	<input type="text"/>
Invoice 3	<input type="text"/>	<input type="text"/>	Invoice 6	<input type="text"/>	<input type="text"/>

Differential Pay (Earnings Offset)

Employer Annual Salary	\$50,000
Military Annual Salary	\$40,000
Differential Pay	\$10,000

- Differential pay requires corresponding contributions
- State law requires differential pay provisions for state employees that includes retirement contributions
- If a local government employer has a policy with differential pay in effect they are expected to remit corresponding contributions in the same fashion

Unpaid Military Leave of Absence

Bob began military service on 9/1/2012 and is still on military leave at year end

- Bob is required to pay employee required contributions
- Employer is required to retroactively report hours and earnings if employee elect USERRA rights.
- General employment category
- No payroll deducted additional contributions
- 2012 hours and earnings: Jan 1 – Aug 31
– 1352 hours, \$24,336.00

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Annual Transaction: Unpaid Military Leave of Absence

Report Date	12/31/2012
SSN/Name	SSN/ Bob
Employment Category	30
Action Code	50
Action Date	N/A
Last Earnings Date	08/31/2012
FY Hours & Earnings	N/A
CY Hours and Earnings	1352 Hours \$24,336.00
EERC (Pre-tax)	\$1,438.82
BAC	N/A
Additional Employee Paid	N/A
Additional Employer Paid	N/A

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Employee Does Not Return to Work by Choice

- Unpaid military leave of absence
 - Submit termination for employee as of the date military service began
 - An employee on military leave being reported as active will need remittance adjustments
 - Please work with ETF to correct previous reports

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Temporary Workers Compensation (WC)



Employers must report hours and earnings for any WRS participating employee during any period they receive Worker's Compensation benefits

There are no distinctions between partial or total disability

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Temporary Workers Compensation (WC)

- Earnings reported at the rate that would have been paid had the disability not occurred
- Report service on same basis as was reported immediately prior to the temporary disability
- Once employee terminates or the disability is determined, the employer will stop reporting earnings and service
- Employer is required to pay all employee and employer required contributions until employee returns to work at which point the employer can begin recovering the funds
- The amount recoverable (which is optional) may not be deducted from the employee's paycheck at a rate greater than 5% of the gross earnings


 If initial injury occurred with another employer, but a *recurrence* results in a WC award, the present employer must comply with all of these requirements

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Reference

- WRS Administration Manual – ET-1127
 - Chapter 22 – Uniformed Services Subject to Retirement Credit
 - Chapter 5 – Workers Compensation
 - Chapter 10 – Annual Reporting and Reconciliation
- Web site: etf.wi.gov
 - Employers Tab

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Thank you for
watching

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