



**STATE OF WISCONSIN**  
**Department of Employee Trust Funds**  
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SECRETARY

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**CORRESPONDENCE MEMORANDUM**

**DATE:** November 9, 2011  
**TO:** Employee Trust Funds Board  
**FROM:** Matt Stohr, Administrator  
Division of Retirement Services  
**SUBJECT:** Update on Implementation of 2011 Wisconsin Acts 10 and 32

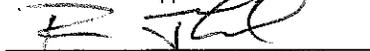
**This memo is for informational purposes only. No Board action is necessary.**

Department of Employee Trust Funds (Department) staff has provided periodic updates to the retirement boards about 2011 Wisconsin Acts 10 and 32. The purpose of this memo is to provide a brief update on the progress the Department has made on implementation of the Acts.

Acts 10 and 32 contained major changes to the Wisconsin Retirement System (WRS). Among other things, the Acts: 1) in most cases prohibited WRS employers from paying the WRS employee required contribution, 2) eliminated the Benefit Adjustment Contribution, 3) reduced the WRS formula benefit multiplier for the elected/executive WRS employment category, 4) increased the WRS eligibility criteria, and 5) included a five-year vesting requirement. In addition, the allocation of the WRS contribution rate between the employee and employer changed in the middle of the year. Therefore, WRS employers are required to separately track WRS contributions before and after the effective date of Act 10.

The Department is engaged in a project to update our Information Technology (IT) and operational systems to reflect the law changes and to inform WRS employers about the nuances of reporting hours and earnings for employees since the allocation of the WRS contribution rate was changed in the middle of the year. The implementation of the law changes will require two separate projects: one project to implement the Act 10 provisions (items 1-3 listed above) and one project to implement the Act 32 provisions (items 4 and 5 listed above). We are currently working on the Act 10 requirements and will begin work on the Act 32 requirements, once the Act 10 requirements are implemented.

Reviewed and approved by Robert Conlin, Deputy Secretary.

  
Signature

11/14/2011  
Date

Board	Mtg Date	Item #
ETF	12.01.11	5B

The Act 10 project has six phases. The Department has made substantial progress on defining business rules and coding our IT systems to reflect the law changes. As of this writing, the Department is conducting user-acceptance testing on the IT system changes on phase 1 of the project, which is the largest phase. We intend to conduct user-acceptance testing for the remaining phases during November and December. Our target completion date for the Act 10 project is set for the end of December 2011.

Division of Retirement Services (DRS) staff has set up a series of webinars for WRS employers designed to help them understand reporting procedures and requirements due to the law changes. We scheduled 30 webinars in November; each webinar is at capacity. Therefore, we will add more webinars and offer other training opportunities to meet the demand for training and information.

I am extremely proud of DRS staff who had been involved in this project and all of the DRS staff for helping to maintain our current level of service during this busy year. The DRS staff has worked to keep this important project on schedule at a time when we have experienced an unprecedented number of requests for retirement estimates and applications from WRS members.

I will be available at the meeting to answer any questions you may have.