



# Employer *Bulletin*

Employer Communication Center (608) 264-7900 Toll free: 1-888-681-3952 <http://etf.wi.gov>

The following information will help you prepare for the 2010 reconciliation process. Annual reconciliation is a time-sensitive project. Your assistance is required to ensure that your employees' annual *Statement of Benefits* (issued in April) are accurate and complete. It is critical that you are available during annual reconciliation to resolve reporting-related issues in a timely fashion when we contact you. Your assistance is greatly appreciated.

During the reconciliation process, ETF compares the total earnings (by employment category) reported on your twelve 2010 Wisconsin Retirement System (WRS) *Monthly Remittance Reports* to the total earnings detail (by employment category) reported for each employee throughout the calendar year (e.g., terminations, leaves of absence, and the 2010 annual report). Additional contributions remitted on the WRS *Monthly Remittance Reports* are also reconciled to any employee-paid additional and/or employer-paid additional contributions reported for your employees.

## New for 2010

- 1. The employer pre-reconciliation packets are now available on the Online Network for Employers (ONE) site under "WRS Earnings Reports (On-going)". These online reports replace the reconciliation packets that were traditionally mailed to you in early December.** These reports include the Employee Transaction Detail, Suspended Employee Transactions, WRS Remittance Reports by Month, Listing of Over/Under Entries, Active Employee Listing Selection (Annual Pre-List), and the Listing of Active Employees with No Reported Earnings. More information on these online reports is detailed below in the *Instructions for Reconciling Your WRS Earnings* section.

In order to gain access to these reports we require an *Online Network for Employers Security Agreement* (ET-8928) on file with the 'WRS Account Update' box checked. For your convenience you can find a security agreement at the address below:

<http://etf.wi.gov/publications/et8928.pdf>.

**Note:** If you currently have access to the WRS Account Update feature on the ONE system, no additional action is needed.

- 2. Employers can now use the ONE site to submit employee addresses to be printed on the 1-1-11 WRS *Statements of Benefits* along with their annual report.** Please follow all instructions listed in Chapter 10 of the *WRS Administration Manual* (ET- 1127) if you would like to submit addresses on the annual report. Please be aware that if you submit addresses on the annual report you do not need to submit a separate Distribution Code/Address Data (CDAD) file as in past years. If you do submit a CDAD file, any addresses on that file will overwrite the addresses submitted on the annual file. ETF is considering directly mailing the *Statement of Benefits* in the future and updating employee addresses is highly encouraged.

**Note:** If you have been contacted by ETF to be a member of the *Statement of Benefits* direct mail pilot group, please follow the instructions sent to you in the pilot group letter.

3. ETF has added a Transaction Upload and Account Update Test Region within ONE where employers with security clearance can practice using the ONE system. This test region can help you identify and resolve format problems and other issues ahead of time, ensuring that your annual report will be submitted accurately and timely. Reports processed in the test region will not actually be submitted to ETF but rather will give you an idea of how the system works and preliminarily identify any errors. This test site also has been updated with the address feature.

Please find the link to this region under the Other Resources section of ONE. Contact Mary Dupuis at (608) 264-6637 for assistance with the Transaction Upload functionality of ONE.

## Training – Annual Reconciliation and Reporting

ETF is currently offering interactive training via webinar. Employers will connect directly to ETF by calling a toll-free telephone number and viewing an interactive online presentation. Employers must register for training sessions.

Please view our online course catalog to register for training:

<https://student.gototraining.com/1360y/catalog/109678767>

Once registered for a session, you will receive a confirmation e-mail with a Join Training Link and coordinating instructions.

If you cannot attend webinar training, you may also view our instructional webcasts regarding Annual Reconciliation and Reporting located at:

<http://etfmedia.wi.gov/main/Catalog/pages/catalog.aspx?cid=793ca900-6c33-4196-87c2-ab-832f7a7364>

- Annual Reconciliation and Reporting (Part 1) – Reconciliation
- Annual Reconciliation and Reporting (Part 2) – Reporting
- Military Leave and the Wisconsin Retirement System

You can also view an Employer Annual Reconciliation Cheat sheet and FAQ online at:

[http://etf.wi.gov/employers/annual\\_processing.htm](http://etf.wi.gov/employers/annual_processing.htm)

## State and UW Furlough Reporting

For WRS purposes, State agencies and the University of Wisconsin should combine deemed furlough earnings with actual paid earnings on the WRS *Monthly Remittance Reports*. WRS required contributions must be paid on both the paid and the deemed furlough earnings. Similarly, deemed furlough earnings must be included in the individual earnings and service hours reported for an employee on periodic transaction reports (i.e., terminations, corrections, etc.) and on the WRS annual service and earnings report. In short, State agencies and the University of Wisconsin report earnings and service hours for WRS purposes as if the furloughs did not occur.

## 2010 WRS Annual Report Deadlines

The chart below contains important filing deadlines for the WRS Annual Report (the year-end report containing your employees' annual earnings and hours of service detail) and December's WRS *Monthly Remittance Report* (ET-1515).

It is critical that you meet all deadlines so ETF can complete the following tasks in a timely manner:

- Reconcile all earnings and contributions reported for calendar year 2010.
- Apply annual interest to member accounts.
- Prepare and distribute the January 1, 2011 WRS *Statements of Benefits*.
- Calculate 2012 WRS contribution rates.

Report Name	Employer Groups	Due Date
Submit <i>Online Network for Employers Security Agreement</i> (ET-8928) if needed	All Employers	December 30, 2010
WRS 2010 <i>Annual Report</i> (ET-2533)	All Employers	January 31, 2011
December 2010 WRS <i>Monthly Retirement Remittance Report</i> (ET-1515)	Local Employers State Employers (Teachers) State Employers (Non-Teachers)	January 31, 2011 January 31, 2011 January 20, 2011

**Note:** December 2010 WRS *Monthly Remittance Reports* must be paid by the due date to avoid an interest assessment. Late annual reports may be subject to expenses as stipulated in Wis. Stat. § 40.06 (2).

## Annual Reporting Options

Employers with 250 or more employees are required to report their employees' annual earnings and service hours detail in electronic format, as provided in ETF 10.60 (2), Wis. Admin. Code. We encourage all employers to report electronically; it greatly increases processing efficiency, reduces the risk of number transposition errors, and reduces data entry errors. Electronic reporting options using (ONE) are listed below:

FUNCTION	FEATURES	INSTRUCTIONS
Transaction Upload Application	<ul style="list-style-type: none"> <li>Allows you to run validation edits on your electronic annual file to ensure it meets ETF formatting specifications.</li> <li>Used by employers with any number of employees, but required for employers with over 250 employees.</li> </ul>	<ul style="list-style-type: none"> <li>Formatting specifications can be found in Appendix A of the <i>WRS Administration Manual</i> (ET-1127).</li> <li>Transaction Upload detail can be found in Chapter 10 of the <i>Online Network for Employers User Manual</i> (ET-1733).</li> <li>Employer administration and user manuals are available at <a href="http://etf.wi.gov/employers">http://etf.wi.gov/employers</a></li> </ul>
WRS Account Update – Annual Processing	<ul style="list-style-type: none"> <li>Employers with access to ONE's "WRS Account Update Application" can transmit year-end annual detail online.</li> <li>Eliminates the need to complete and submit paper <i>Employee Transaction Reports</i> (ET-2533).</li> <li>Used by employers with fewer than 250 employees.</li> </ul>	<ul style="list-style-type: none"> <li>Account Update – Annual Processing can be found in Chapter 9 of the <i>Online Network for Employers User Manual</i> (ET-1733).</li> <li>Employer administration and user manuals are available at <a href="http://etf.wi.gov/employers">http://etf.wi.gov/employers</a></li> </ul>

# WRS Annual Reconciliation Information (State & Local Employers)

## Specific Guidelines for 2010 Annual Reporting

Use the following specific criteria to report annual detail depending on your reporting method:

Electronic Reporters "ONE"	Paper Reporters Pre-Filled <i>Employee Transaction Report</i> (ET-2533)	Paper Reporters Employer Custom-Printed Annual Report
<ul style="list-style-type: none"> <li> <b>Transaction Upload</b>                      (Data format must meet the specifications defined in Appendix A of the <i>WRS Administration Manual</i> (ET-1127).                      Detailed instructions on how to transmit annual reports using this application can be found in Chapter 10 of the <i>Online Network for Employers User Manual</i> (ET-1733) at:  <a href="http://etf.wi.gov/employers/onechap10.pdf">http://etf.wi.gov/employers/onechap10.pdf</a> </li> <li> <b>WRS Account Update-Annual Processing</b>                      Detailed instructions on how to report annual transactions via the WRS Account Update can be found in Chapter 9 of the <i>Online Network for Employers User Manual</i> at:  <a href="http://etf.wi.gov/employers/onechap9.pdf">http://etf.wi.gov/employers/onechap9.pdf</a> </li> </ul>	<p>The pre-list report is pre-filled with:</p> <ul style="list-style-type: none"> <li>Report date</li> <li>Employee name</li> <li>Employee Social Security number</li> <li>Action code</li> <li>Action date</li> </ul> <p>The pre-list report includes all employees still actively employed, according to our records. Employees listed on your pre-filled report that terminated employment and who have not been previously reported to ETF, must be terminated on this report. Replace the annual action code and action date and replace them with the appropriate action code and action date of the termination.</p> <p>If a WRS eligible employee does not appear on the pre-list, ETF has not received the required WRS enrollment. You must submit the enrollment via ONE or the <i>WRS Enrollment</i> (ET-2316).</p>	<p>Follow the instructions as noted in Chapter 10 of the <i>WRS Administration Manual</i>.</p> <p>If you are using your own reporting format for the first time, you must have the format pre-approved by ETF prior to submitting your 2010 annual report. The approval process is critical because ETF contracts with an outside vendor for data entry purposes.</p> <p>For pre-approval, submit a sample copy of your reporting format before December 26, 2010 to:</p> <p>Jerry Dietzel                      Deputy Controller                      P.O. Box 7931                      Madison, WI 53707-7931</p>

## Instructions for Reconciling Your WRS Earnings

Please refer to Chapter 10, *WRS Administration Manual* (ET-1127), for guidance in reconciling your 2010 WRS earnings. In addition to the information provided in the manual, the following online reports will assist you in the reconciliation process:

**Note:** Instructions for using the online WRS Earning Reports (On-going) are located at:

[http://etf.wi.gov/employers/WRS\\_Earn\\_Reports\\_%20Instructions.pdf](http://etf.wi.gov/employers/WRS_Earn_Reports_%20Instructions.pdf)

- Employee Transaction Detail*** – Details 2010 employee transactions (including additional contributions) reported and updated to ETF’s database. This report is current as of the previous night. Grand totals for all transactions are displayed above the detail listing.

*Utilize this report to verify all earning amounts reported to ETF for transactions throughout the year.*

- Employee Suspended Transaction Report** – Details 2010 suspended employee transactions received by ETF, but not yet posted to the employee accounts due to incomplete or inaccurate information on the submitted transaction report. ETF is reviewing and processing these transactions and may contact you for resolution. This report is current as of the previous night.

*Utilize this report to see the error type that caused the transaction not to load.*
- Remittance Report by Month**– Details total WRS earnings by employment category and additional contributions reported to ETF on the 2010 WRS *Monthly Retirement Remittance Reports* (ET-1515). This report is current as of the previous night.

*Utilize this report to verify all remittance reports and totals of earnings, by category, on file with ETF.*
- Active Employee Listing Selection** –

  - Active Employee Listing** - This report provides an alphabetical listing of all employees, by employment category, enrolled in the WRS for an employer. This report is current as of the previous night.

*Utilize this report to verify that all WRS eligible employees are enrolled with ETF.*
  - Annual Pre-List** - Includes all employees actively employed. The pre-list report is returned to ETF with annual earnings information if you do not report via ONE. If you use ONE to report annual transactions, you do not need to submit a paper pre-list report. An annual additional contribution report is included for those employers that previously reported additional contributions.

We highly recommend you use the ONE site to electronically submit annual and periodic transactions. The WRS Account Update application may be used by employers with under 250 employees and the WRS Transaction Upload application may be used by any employer.

The following chart illustrates how to use these reports in conjunction with the transactions and WRS *Monthly Retirement Remittance Reports* not yet submitted to ETF:

Employee Transaction Reports (A + B)	=	Monthly Retirement Remittance Reports (C + D)
<p><b>Total of Transactions:</b></p> <p><b>A. Reported to ETF</b></p> <ul style="list-style-type: none"> <li>Earnings (by employment category) on the <i>Employee Transaction Reports</i>. (See above description.)</li> <li>Earnings (by employment category) on the <i>Employee Suspended Transaction Report</i>. (See above description.)</li> </ul> <p style="text-align: center;">+</p> <p><b>B. Not Yet Reported to ETF</b></p> <ul style="list-style-type: none"> <li>Earnings (by employment category) on the <i>Annual Transaction Report</i>.</li> <li>Earnings (by employment category) from any 2010 terminations not yet reported.</li> </ul>	=	<p><b>Total of Remittance Reports:</b></p> <p><b>C. Reported to ETF</b></p> <ul style="list-style-type: none"> <li>Earnings (by employment category) on the Contributions Total Report. (See above description.)</li> </ul> <p style="text-align: center;">+</p> <p><b>D. Not Yet Reported to ETF</b></p> <ul style="list-style-type: none"> <li>Earnings (by employment category) on the WRS <i>Monthly Retirement Remittance Reports</i> for 2010.</li> </ul>

## Reconciliation Checklist:

### Payroll Records:

- Calculate the total of all employees' WRS earnings from your payroll records (by category). This total should equal the total earnings reported to ETF throughout the year, including earnings from your annual report (A and B above).

### Transaction Reports:

- The total WRS transaction report earnings (A plus B above) must equal the total WRS earnings reported on the 12 WRS *Monthly Remittance Reports* (C plus D).

### Monthly Remittance Reports:

- Calculate the total of all WRS earnings (by employment category) on the 12 WRS *Monthly Remittance Reports* (C and D above).

**Note:** You must file the December 2010 remittance report by the January 2011 dates noted above to avoid a late fee. If you are not completely reconciled by your December remittance filing, please contact our office about submitting a supplemental report. If the total amount of your corrections results in money owed, you may enter a December Supplemental Report online. If the total amount of your corrections results in a credit, please call Jim Krawczyk at (608) 266-3309. If you submit paper reports, please call Jim for assistance.

## For Questions Regarding WRS Annual Reporting

ETF has a webpage dedicated to Annual Reconciliation. The page will be updated as needed. Go to:

[http://etf.wi.gov/employers/annual\\_processing.htm](http://etf.wi.gov/employers/annual_processing.htm).

Contact the Employer Communication Center toll free at (888) 681-3952 or locally at (608) 264-7900 if you have questions about annual reporting.

The Department of Employee Trust Funds does not discriminate on the basis of disability in the provision of programs, services, or employment. If you are speech, hearing or visually impaired and need assistance, call the Wisconsin Relay Service at 7-1-1 or 1-800-947-3529 (English) 1-800-833-7813 (Español). We will try to find another way to get the information to you in a usable form.

This Employer Bulletin is published by the Wisconsin Department of Employee Trust Funds. Questions should be directed to contact persons listed in the Bulletin, or to the Division of Retirement Services (DRS). Call Jean Gilding, DRS administrator, at (608) 266-1210. Employer agents may copy this Bulletin for further distribution to other payroll offices, subunits or individuals who may need the information. Copies of the most recent Employer Bulletins are available on our Internet site at the following URL: <http://etf.wi.gov/employers.htm>

Wisconsin Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931; <http://etf.wi.gov>.