



Employer *Bulletin*

Employer Communication Center (608) 266-3285 Toll free: 1-877-533-5020 <http://etf.wi.gov>

2013 Annual Reconciliation

The following information will help you prepare for the 2013 reconciliation process. Annual reconciliation is a time-sensitive project. Your assistance is required to ensure that your employees' Wisconsin Retirement System (WRS) *Annual Statements 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 contribution category) reported on your twelve 2013 WRS *Monthly Remittance Reports* to the total earnings detail (by contribution category) reported for each employee throughout the calendar year (e.g., terminations, leaves of absence and the 2013 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.

Online Reporting

1. **The employer pre-reconciliation reports are 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.****

The reports include the:

- Employee Transaction Detail;
- Suspended Employee Transactions;
- WRS Remittance Reports by Month;
- Listing of Over/Under Entries;
- Earnings/Contribution Reconciliation;
- End of Year Active Employee Listing (Annual Pre-List); and
- Correction to End of Year Active Employee Listing.

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.

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

2. **Effective January 2014, employers may now use the ONE site to submit, along with their annual report, employee addresses for ETF to print on the January 1, 2014 WRS *Annual Statements of Benefits*.** Please follow all instructions listed in Chapter 10 of the [WRS Administration Manual](#) (ET-1127) to submit addresses on the annual report. Be aware that when you submit addresses on the annual report, you may 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. Information describing the *Statement of Benefits* sort options and CDAD file requirements will be sent in a separate bulletin in early January.

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 email with a *Join Training* link and coordinating instructions.

2013 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 2013.
- Apply annual interest to member accounts.
- Prepare and distribute the January 1, 2014 WRS *Statements of Benefits*.
- Calculate 2014 WRS contribution rates.

Report Name	Employer Groups	Due Date
Submit Online Network for Employers Security Agreement (ET-8928) if needed	All Employers	December 30, 2013
WRS 2013 Annual Report	All Employers	January 31, 2014
December 2013 WRS Monthly Retirement Remittance Report (ET-1515)	Local Employers State Employers (Teachers) State Employers (Non-Teachers)	January 31, 2014 January 31, 2014 January 20, 2014

Note: December 2013 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 in the following table:

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

WRS Annual Reconciliation Information (State & Local Employers)

Specific Guidelines for 2013 Annual Reporting

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

Electronic Reporters "ONE"
<ul style="list-style-type: none"> Transaction Upload Data format must meet the specifications defined in Appendix A of the WRS Administration Manual (ET-1127). Detailed instructions on how to transmit annual reports using this application can be found in Chapter 10 of the WRS Administration Manual (ET-1127). WRS Account Update-Annual Processing Detailed instructions on how to report annual transactions via the WRS Account Update can be found in Chapter 10 of the WRS Administration Manual (ET-1127).

Instructions for Pre-Reconciling Your WRS Earnings

By taking some time to pre-reconcile your annual report, you will greatly increase the chance that your account will balance once you have uploaded it. Here are a few steps you should take using the [Online Network for Employers](#) (ONE) before submitting your Annual Report, which will allow for a more efficient reconciliation process.

- Confirm you have previously submitted all 2013 enrollments and terminations. Use the **Employee Transaction Detail** (instructions listed below) to itemize and account for all enrollments and terminations. Doing so will reduce the possibility that the correlating annual transactions will suspend.
- Review our **Suspended Transaction Report** (instructions listed below) then follow up with ETF to process those suspended transactions.
- Generate a list of active employees on leave of absence having no hours or earnings to report for 2013. These individuals should be included on your Annual Report with an action code P040, informal leave of absence with no hours or earnings.
- Review the WRS Annual Earnings/Contribution Reconciliation Report on ONE to compare earnings previously loaded plus earnings to be loaded on your annual file with the total earnings reported monthly via the WRS Contribution Remittance Entry.
- Attend an Annual Reconciliation Webinar Training.

Reconciling Your WRS Earnings

Please refer to Chapter 10, [WRS Administration Manual](#) (ET-1127), for guidance in reconciling your 2013 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

- **Employee Transaction Detail** – Details 2013 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 2013 suspended employee transactions received by ETF, that have not 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 contribution category and additional contributions reported to ETF on the ONE's WRS Contribution Remittance Entry application or the 2013 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 contribution category, on file with ETF.
- **Earnings/Contribution Reconciliation** – Detail report that displays the totals and difference between the earnings from all the employee transactions by contribution category and earnings from the monthly remittance reports by contribution category for 2013.

- **Active Employee Listing** – Detail report that provides a listing of all employee, by category, enrolled in the WRS from that employer. By clicking the “Export to Excel” button, the report can be downloaded into a spreadsheet.

Utilize this report to verify that all WRS eligible employees are enrolled with ETF.

- **End of Year Active Employee List and Correction to End of Year Active Employee List** –
 - **End of Year Active Employee List** – This spreadsheet provides an alphabetical listing of all employees, by employment category, enrolled in the WRS for an employer. This report is current as of December 2013. This spreadsheet is used to report hours, earnings, and Employee-Paid Contributions. Once this spreadsheet is completed, it needs to be saved as a .CSV file and transmitted to ETF via Transaction Upload
Utilize this report to verify that all WRS eligible employees are enrolled with ETF.
 - **Correction to End of Year Active Employee List** – This spreadsheet is used to process a correction to your annual file. This will be an exact listing of employees on the End of Year Active Employee List, but the action code will be changed to a P080. This report will generate after the Annual Report has been submitted.

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)
Employers report employee earnings (transactions) to ETF throughout the year and those not yet reported to ETF. Add each individual’s earnings-this should equal your transactions total for 2013.	=
Total of Transactions:	Total of Remittance Reports:
A. Reported to ETF <ul style="list-style-type: none"> • Earnings (by employment category) reported thru the ONE site. • Earnings (by employment category) on the <i>Employee Suspended Transaction Report</i>. (See above description.) <p style="text-align: center;">+</p>	=
B. Not Yet Reported to ETF <ul style="list-style-type: none"> • Earnings (by employment category) on the <i>Annual Transaction Report</i>. • Earnings (by employment category) for terminations not yet reported. 	+
	C. Reported to ETF <ul style="list-style-type: none"> • Earnings (by contribution category) on the Contributions Total Report. (See above description.) <p style="text-align: center;">+</p>
	D. Not Yet Reported to ETF <ul style="list-style-type: none"> • Earnings (by contribution category) on the <i>WRS Monthly Retirement Remittance Reports</i>

At year-end, individual earnings (A+B) are reconciled to earnings reported on the 12-month remittance report (C+D). These totals must be the same as shown above.

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, plus the earnings from your annual report (A and B above).

Employee Transaction Detail Report:

- The total individual earnings reported (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 contribution category) on the 12 WRS *Monthly Remittance Reports* (C and D above).

Note: You must file the December 2013 remittance report by the January 2014 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, or if you submit paper reports, please contact the Employer Communication Center toll free at 1-877-533-5020 or 608 266-3286 (local).

If you have reached this point and find that $A+B$ does not equal $C+D$, review the potential common reconciliation errors in the reference sheet:

<http://etf.wi.gov/employers/annual-recon-faq2012.pdf> or

Contact the Employer Communication Center toll free at 1-877-533-5020 or 608 266-3286 (local) if you have questions about annual reporting.

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.

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 or hearing impaired and need assistance, call the Wisconsin Relay Service toll free at 7-1-1 or 1-800-947-3529 (English) 1-800-833-7813 (Español). If you are visually or cognitively impaired, call 1-877-533-5020 or (608) 266-3285 locally. 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. If you have any questions, please contact the Employer Communications Center toll free at 1-877-533-5020 or locally at (608) 266-3285. 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 <http://etf.wi.gov/employers.htm>.

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