



Employer *Bulletin*

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etf.wi.gov

2015 Annual Reconciliation and Deadline for WRS Statement of Benefits Distribution Code/Address Files

The following information is meant to help you prepare for the 2015 reconciliation process. Annual reconciliation is a time-sensitive project. Your assistance is required to ensure that your employees' Wisconsin Retirement System 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. Your assistance is greatly appreciated.

Reconciliation is the process by which ETF compares the total earnings (by contribution category) reported on your twelve 2015 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 2015 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)*. The reports provide information helpful to your reconciliation and include:**

- 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) (12/2016),
- Correction to End of Year Active Employee Listing (12/2016), and
- Late Reported Earnings.

Please refer to the *Instructions for Reconciling Your WRS Earnings* below for specific information on these reconciliation reports. In order to gain access to these reports, ETF requires an [Online Network for Employers Security Agreement](#) (ET-8928) with the "WRS Account Update" box checked.

If you are not signed up for the ONE site, please register as soon as possible. It can take up to three weeks for you to receive your login information. To register, complete and submit the [Online Network for Employers Security Agreement \(ET-8928\)](#).

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

2. Employers may now use the ONE site to submit employee addresses, along with their annual report, for use on the January 1, 2016 WRS Annual Statements of Benefits (instructions listed below). Please follow the instructions in [Chapter 10 of the WRS Administration Manual](#) (ET-1127) to submit addresses on the annual report. By submitting addresses on the annual report, you will not need to submit a separate Distribution Code/Address Data (CDAD) file. If you submit a CDAD file, any addresses on that file will overwrite the addresses submitted on the annual file.

Training – Annual Reconciliation and Reporting

ETF is currently offering interactive annual reconciliation and reporting training via webinar. Connect by calling a toll-free number or using your computer's audio, and view an interactive online presentation. You must register for training sessions. Please view the online course catalog to register for training: <https://attendee.gototraining.com/1360y/catalog/109678767?tz=America/Chicago>

Once registered for a session, you will receive a confirmation email with a *Join Training* link and instructions on how to join the webinar.

2015 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 electronic [Monthly Remittance Report](#).

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

- Reconcile all earnings and contributions reported for calendar year 2015
- Apply annual interest to member accounts
- Prepare and distribute the January 1, 2016 WRS Statements of Benefits

Report Name	Employer Groups	Due Date
Submit Online Network for Employers Security Agreement (ET-8928), if needed	All Employers	December 31, 2015
WRS 2015 Annual Report	All Employers	January 31, 2016
December 2015 WRS Monthly Retirement Remittance Report (ET-1515)	Local Employers State Employers (Teachers) State Employers (Non-Teachers)	January 31, 2016 January 31, 2016 January 20, 2016

Note: December 2015 WRS electronic *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

All employees are required to report their employees' annual earnings and service hours detail electronically, as provided in ETF 10.60 (2), Wis. Admin. Code. This increases processing efficiency, reduces the risk of number transposition errors and reduces data entry errors. Employers with 250 or more employees are required to report their employees' annual earnings and service hours detail via the Transaction Upload Application. The table on the next page provides information and instruction on annual reporting options available to employers on the ONE site.

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. Available to 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. 	<p>Formatting specifications can be found in Appendix A of the WRS Administration Manual (ET-1127).</p> <p>Transaction Upload detail can be found in Chapter 10 of the WRS Administration Manual.</p> <p>Employer administration and user manuals are available at etf.wi.gov/employers.htm</p> <p>Annual Reporting Transaction Upload instructions are available at etf.wi.gov/publications/et1157.pdf</p>
WRS Account Update – Annual Processing	<ul style="list-style-type: none"> Employers with access to ONE's <i>WRS Account Update Application</i> can transmit year-end annual detail online. Can only be used by employers with fewer than 250 employees. 	<p>Account Update – Detailed instructions on how to transmit Annual Processing can be found in Chapter 10 of the WRS Administration Manual.</p> <p>Employer administration and user manuals are available at etf.wi.gov/employers.htm</p> <p>Annual Reporting Account Update instructions are available at etf.wi.gov/employers/ar-account-update-instructions.pdf</p>

Instructions for Pre-Reconciling Your WRS Earnings

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

- Confirm you have previously submitted all 2015 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 annual transactions will suspend.
- Review the **Suspended Transaction Report** (instructions listed below) then follow up with ETF to process those suspended transactions. These should be reviewed regularly throughout the year.
- Generate a list of active employees on leave of absence having no hours or earnings to report for 2015. 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** (instructions listed on the next page) 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 WRS Earnings

Please refer to [Chapter 10, WRS Administration Manual](#) (ET-1127) for guidance in reconciling 2015 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: etf.wi.gov/employers/WRS_Earn_Reports_%20Instructions.pdf

The following chart details 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, terminations and leaves of absence to ETF throughout the year and those not yet reported to ETF. Add each individual's earnings-this should equal your transactions total for 2015.	=	Monthly remittance reports (reported and not yet reported) show earnings (by category) for each employer. They do not show individual earnings.
Total of Transactions: 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 Employee Suspended Transaction Report. <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. 	=	Total of Remittance Reports: C. Reported to ETF <ul style="list-style-type: none"> • Earnings (by contribution category) on the Contributions Total Report. <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' reportable WRS earnings from your payroll records (by category). This total should equal the total earnings reported to ETF throughout the year in terminations and leaves of absence, 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 Retirement 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 2015 remittance report by the January 2016 dates from the table on page 2 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 contact the Employer Communication Center at 1-877-533-5020 (toll free) or 608-266-3285 (local Madison).

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: etf.wi.gov/employers/annual-recon-faq2012.pdf **or** contact the Employer Communication Center at 1-877-533-5020 (toll free) or 608-266-3285 (local Madison) if you have questions about annual reporting.

Questions Regarding WRS Annual Reporting

ETF has a webpage dedicated to Annual Reconciliation at etf.wi.gov/employers/annual_processing.htm. The page will be updated as needed.

Important Deadlines for WRS Statement of Benefits Distribution Code/Address Files

WRS employers are responsible for distributing the Wisconsin Retirement System *Annual Statements of Benefits* to their active employees. The statements, dated January 1, 2016, will be sent to you following completion of the reconciliation process. The important deadlines below provide information that pertains to statement sorting options, employee address reporting and the statement distribution process.

ETF recommends collecting employee address data and distribution codes to be used on the WRS Annual Statements of Benefits from the annual report. If you submit this information on your annual report, no additional file submission is necessary unless you need to further update this information.

Important Deadlines

- February 26, 2016:

Deadline for submitting the [Statement Sort Option Selection form](#) (ET-9061). This form determines how your employees' statements will be sorted when delivered in April.

Select a sort option for your January 1, 2016 *Annual Statements of Benefits*. **If you do not return form ET-9061 by the due date, ETF will use the same sort option you chose for 2015. In the absence of an option code having been selected for 2015, ETF will automatically default to Option D, Alphabetical Order, to sort your employees' statements.**

- March 11, 2016:

Deadline for submitting all Distribution Code and Address Data (CDAD) files to ETF. This file is required to print addresses and distribution codes on the statements if you do not include them on your annual report. *This file is not necessary if you report employees' address data on the annual report.*

Statement Sort Option Selection Form

The [Statement Sort Option Selection form](#) (ET-9061) can be found online at etf.wi.gov.

Note: "Distribution Codes" are codes that you designate to help sort your employees' statements when they are delivered in bulk. For example, distribution codes could signal "School A" or "School B," or list the individual employee's department. They are not required but can be very helpful when distributing the statements.

Option A: Distribution Codes Order:

You will receive the statements in alphabetical order by employee last name, within a distribution code order specified by you. Example: You could provide us with distribution codes that group your employees' statements by departments, individual buildings where employees work or by different cities where employees work.

Option B: Employee Home Addresses in ZIP Code Order:

You will receive the statements sorted by your employees' home addresses in ZIP code order. The address sort option enables you to attach postage and mail the statements directly to employees, rather than distributing statements at the work sites. The statements will be printed with your return address displayed in the return address window of the envelope.

Option C: Sort by Distribution Codes with Home Addresses Printed:

You will receive the statements in alphabetical order within a distribution code order, with home addresses of your employees printed on the statements. This allows you to distinguish between different buildings or work sites, but retain the option to mail some statements to employees who might not be present at the time you distribute statements.

Option D: Sort in Alphabetical Order:

You will receive the statements in alphabetical order by last name. Distribution codes and/or addresses of employees can be printed on the statements, provided you supply ETF with that information.

Mail, fax or email the [Statement Sort Option Selection form](#) (ET-9061) to ETF by February 26, 2016, using the address or number indicated on the form. When completing this form, please provide your WRS Employer Identification Number (69 036 XXXX - XXX).

Distribution Code/Address Data (CDAD) Specifications Form

If you intend to submit a CDAD file, it must be submitted by **March 11, 2016**.

The CDAD file must follow data format specifications defined in the [Distribution Code/Address Data Specifications for WRS Statement of Benefits \(ET-9060\) form](#). This form also contains instructions for using an Excel spreadsheet to create the CDAD file in an electronic format acceptable by ETF. It can also be found on ETF's website.

Note: Files not meeting the reporting format will be returned to you for correction. No corrections will be made at ETF.

You are required to keep a copy for your records of all reports sent to ETF as reference to help resolve problems that may exist in the file.

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 (local Madison). 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*. 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 at etf.wi.gov/employers.htm