



EMPLOYER BULLETIN

Employer Communication Center
(608) 264-7900, toll free 1-888-681-3952

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December 15, 2006

- **2006 WRS Annual Report Deadlines**
- **Changes to Annual Reporting Options**
- **WRS Annual Reconciliation Information And Tips**

The chart below contains important filing deadlines for the Wisconsin Retirement System (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 these deadlines so the Department of Employee Trust Funds (ETF) can complete the following tasks in a timely manner:

- Reconcile all earnings and contributions reported for calendar year 2006
- Prepare and distribute the January 1, 2007 WRS Statements of Benefits
- Calculate 2008 WRS contribution rates

Late reports may be subject to expenses as stipulated in Wis. Stat. § 40.06 (2).

Report Name	Employer Groups	Due Date
WRS 2006 Annual Report (ET-2533)	All Employers	January 31, 2007
December 2006 WRS <i>Monthly Retirement Remittance Report</i> (ET-1515, Rev. 11/2003)	Local Employers State Employers (Teachers) State Employers (Non-Teachers)	January 31, 2007 January 31, 2007 January 20, 2007

A recorded presentation on annual reconciliation, including the transaction upload application, will be available on our Internet site in late December. You will find it under the Video Library menu.

Annual Reporting Options

Employers with 250 or more employees are required to report their employees' annual earnings and hours of service detail in electronic format, as provided in ETF 10.60 (2), Wis. Admin. Code. (This requirement to report electronically includes all employees, not just WRS employees.) However, ETF encourages all employers to report electronically. Electronic reporting greatly increases processing efficiency, reduces the risk of number transposition errors, and reduces data entry errors at ETF. Electronic reporting options are described at right and on the following pages:

- **On-Line Network for Employers (ONE), Transaction Upload Application:**

The new Transaction Upload Application is now available on ETF's ONE site. "Transaction Upload" replaces FTP or diskettes as the preferred method for electronic reporting of annual transactions. Transaction Upload allows you to run validation edits on your electronic annual file to ensure it meets the formatting specifications in Chapter 12 of the *WRS Administration Manual* (ET-1127, rev 07/2004). Detailed instructions on how to

transmit annual reports using this application are attached.

Although ETF will accept diskette or FTP files for 2006 annual reporting, we strongly encourage you to utilize "Transaction Upload" instead.

Note: ETF will not accept reports on diskette or via FTP for 2007 annual reporting.

- **File Transfer Protocol (FTP) or Disk**

ETF will accept 2006 annual reports via FTP or disk. Data format must meet the specifications in Chapter 12 of the *WRS Administration Manual* (ET-1127, rev 07/2004). You are strongly encouraged to use the new Transaction Upload Application (see above).

If you report your 2006 Annual Report via FTP or disk, the *Electronic Reporter Transmittal* (ET-2536) is no longer required for submitting the annual report. The *Electronic Reporter Transmittal* is still required for periodic transaction reports and late reported transactions sent electronically (FTP or disk).

- **WRS Account Update – Annual Processing**

(Applies only to those employers who receive a 2006 pre-list and have fewer than 250 employees.)

Employers who receive annual pre-lists (pre-printed *Employee Transaction Reports*) and have access to ONE's "WRS Account Update Application" can transmit year-end annual detail online for their WRS covered employees. This application eliminates the need to complete and submit the paper *Employee Transaction Report* (ET-2533). Step-by-step instructions for reporting annual transactions via the WRS Account Update appear in *Employer Bulletin*, Vol. 22, No. 20, dated December 9, 2005. You can view the Bulletin on our Internet site at the following address: http://etf.wi.gov/employers/bulletins_all/eba20051209.htm.

Employers with ONE access who have not requested a preprinted 2006 pre-list prior to the date of this bulletin, cannot use this option to transmit year-end annual detail on-line for 2006. However, you may request to have a pre-list generated during 2007 and use this option for the next annual reporting period.

Requesting Access to ONE for WRS Account Update and/or Transactions Upload applications

If you are currently authorized for ONE's WRS Account Update, you will be able to access the "Transaction Upload" application. No additional authorization is required.

If you do not currently have access to ONE's WRS Account Update, you must complete an *Online Network for Employers Security Agreement* (ET-8928) and submit it to ETF. The approval process may take two to three weeks. Therefore, please submit your *Security Agreement* as soon as possible if you wish to use this new feature for 2006 annual reporting. For your convenience, a copy is attached to this bulletin. The form is also available on-line at <http://etf.wi.gov/publications/et8928.pdf>.

Requirements for Using "ONE"

To ensure proper security for all on-line applications, you must have a browser that supports the capabilities of Netscape Navigator (version 7.1 or higher) or Microsoft Internet Explorer (version 5.x or higher).

For more information about ONE applications or obtaining access to the site, please contact the Employer Communication Center toll free at (888) 681-3952 or locally at (608) 264-7900.

WRS Annual Reconciliation Information (State and Local employers)

Specific Guidelines for 2006 Annual Reporting

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

Electronic Reporters "One", disk, FTP	Paper reporters Pre-Printed <i>Employee Transaction Report</i> (ET-2533)	Paper Reporters Employer Custom-Printed Annual Report
<p>ONE:</p> <p>Transaction Upload</p> <p>Data format must meet the specifications defined in Chapter 12 of the <i>WRS Administration Manual</i>.</p> <p>Specific instructions on use of the application are included in this bulletin.</p> <p>WRS Account Update-Annual Processing</p> <p>Step-by-step instructions for using this application appears in Employer Bulletin Vol. 22, No. 20, dated December 9, 2005. http://etf.wi.gov/employers/bulletins_all/eba20051209.htm).</p> <p>Disk, FTP:</p> <p>Follow the specifications defined in Chapter 12 of the <i>WRS Administration Manual</i>.</p> <p>Employers using Disk and FTP are no longer required to submit the <i>Electronic Reporter Transmittal</i> (ET-2536) with the annual report.</p>	<p>The prelist report is pre-printed with:</p> <ul style="list-style-type: none"> • Report date • Employee name • Employee Social Security number • Action code • Action date <p>The prelist report includes all employees still actively employed. Employees listed on your pre-printed report that terminated employment and who have not been previously reported to ETF, must be terminated on this report. Cross off the annual action code and action date and replace 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 <i>WRS Enrollment</i>. You must submit the enrollment via ONE or complete the <i>WRS Enrollment</i> (ET-2316) immediately and add the employee to the preprinted Annual Report.</p>	<p>Follow the instructions as noted in Chapter 9 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 2006 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 29, 2006 to: Jerry Dietzel Deputy Controller P.O. Box 7931 Madison, WI 53707-7931</p>

Instructions for Reconciling Your WRS Earnings

Please refer to Chapter 9, *WRS Administration Manual* (ET-1127, rev. 7/2004) for guidance in reconciling your 2006 WRS earnings. In addition to the information provided in the administration manual, the following reports are enclosed to assist you in the reconciliation process:

- Employee Transaction Report (ET-9999)
 - Details 2006 employee transactions (including additional contributions) reported and updated to ETF’s database through December 8, 2006. Earnings totals, by employment category, are displayed at the end of the report.
- Employee Suspended Transaction Report (EE990) - Details 2006 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.

- Contributions Total Report (ET-9999)
 - Details total WRS earnings and additional contributions by employment category reported to ETF on the January through October 2006 *WRS Monthly Retirement Remittance Reports* (ET-1515).

Note: November 2006 earnings are included for employers who filed the November 2006 report early.

- Annual pre-list (ET-2533) [Preprinted pre-list report] - Includes all employees still actively employed. The prelist 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 the paper pre-list report. An annual preprinted additional contribution report is included for those employers that previously reported additional contributions.

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>Total of Transactions:</p> <p>A. Reported to ETF</p> <ul style="list-style-type: none"> • Earnings (by employment category) on the <i>Employee Transaction Reports</i>. (See above description.) • Earnings (by employment category) on the <i>Employee Suspended Transaction Report</i>. (See above description.) <p style="text-align: center;">+</p> <p>B. Not Yet Reported to ETF</p> <ul style="list-style-type: none"> • Earnings (by employment category) on the <i>Annual Transaction Report</i>. • Earnings (by employment category) from any 2006 terminations not yet reported. 	=	<p>Total of Remittance Reports:</p> <p>C. Reported to ETF</p> <ul style="list-style-type: none"> • Earnings (by employment category) on the <i>Contributions Total Report</i>. (See above description.) <p style="text-align: center;">+</p> <p>D. Not Yet Reported to ETF</p> <ul style="list-style-type: none"> • Earnings (by employment category) on the <i>WRS Monthly Retirement Remittance Reports</i> for November and December 2006

Reconciliation Tips:

- 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).
- Calculate the total of all WRS earnings (by employment category) on the 12 WRS *Monthly Remittance Reports* (C and D above).
- Total WRS transaction report earnings (A plus B) must equal the total WRS earnings reported on the 12 WRS *Monthly Remittance Reports* (C plus D).

Annual Reporting Reminders:

1. Military Leave of Absence

For employees serving on military leaves of absence at year-end, report each leave as follows. In the event:

- You pay the employee during the military leave as if the employee is working, or pay the employee the difference between their normal earnings and what they receive as military pay, or do not pay the employee during the leave but deem the earnings under the provisions of USERRA, report the 2006 earnings and hours as if the employee was working and receiving all earnings using action code P000.

Note: To satisfy the requirements of USERRA for WRS purposes, an employer must submit a copy of the employee's military leave and earnings statement (military papers) to ETF after discharge. This statement will list the dates of military entry and discharge.

- The employee is on an unpaid military leave of absence and you are not deeming the earnings under the provisions of USERRA for that employee, report only the actual 2006 earnings and hours. Use action code P050 and indicate the Last Earnings Date. The Action Date should be left blank.

2. Fiscal Year Employees

The following reminders apply to all employers with fiscal year employees regardless of the reporting method used:

- Fiscal year employees include teachers (employment categories 10 and 11), educational support personnel (employment category 12) and judges (employment categories 05, 07 and 08).
- Transactions reported for fiscal year employees must include January through June fiscal year hours and earnings in addition to 2006 calendar year hours and earnings if the fiscal year employee was active during the January through June period.
- January through June (fiscal year) hours and earnings must be less than or equal to the employee's calendar year hours and earnings.

3. Employee Required Contributions and Benefit Adjustment Contributions

The columns labeled "Employee Required Contributions" and "Benefit Adjustment Contributions" are used only when you have actually deducted a contribution amount from your employee's paycheck. These amounts cannot exceed the employee required and benefit adjustment contribution rates in effect for 2006. Do not use these columns to report total employee required and benefit adjustment contributions that you have paid on behalf of the employee.

4. Employee Name Change(s)

Employee name changes cannot be made on the annual report by crossing out the name printed on the report and writing the new name. You can make this type of descriptive data change by submitting:

- *Employee Identification/Correction Change* (ET-2810) - Refer to Chapter 5 of the *WRS Administration Manual* for instructions on changing an employee's name.

- The change online via ONE’s WRS Account Update Application.
- Using other electronic reporting method with action code P031 transactions.

you will report the December 2006, termination date along with the earnings (and corresponding hours) paid in January 2007.

5. Leave of Absence

Refer to Chapter 9 of the *WRS Administration Manual* for the appropriate Action Code to use on the Annual Report for employees on leaves of absence as of December 31, 2006.

6. Reporting Employee Terminations

Do not report earnings and hours for terminated employees on the Annual Report if you have previously reported hours and earnings for these employees at the time of final earnings payment. If you have not previously reported any 2006 terminations, you may include the termination transaction when submitting the annual report. Include only transactions that apply to the 2006 calendar year.

Example: An employee terminating employment in December 2006 who is not paid final earnings until January 2007, must be reported as an active employee on the 2006 Annual Report using the “00” Action Code with the earnings (and corresponding hours) paid during 2006. In January 2007,

7. Reporting Hours

Hours of service performed between January 1 and December 31, 2006, for which earnings were paid, should be rounded up to the nearest hour, if possible. If your payroll system produces reports with decimal equivalency, be sure the decimal is equivalent to the nearest one hundredth.

Contact ETF Staff For Questions Regarding WRS Annual Reporting

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

For questions regarding the Transaction Upload Application, contact:

Mary Dupuis (608) 264-6637 or e-mail mary.dupuis@etf.state.wi.us

Marilyn Lim (608) 266-0778 or e-mail marilyn.lim@etf.state.wi.us

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 • *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 (608) 266-0728 or TTY (608) 267-0676.* •
 • *We will try to find another way to get the information to you in a usable form.* •
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The ETF EMPLOYER BULLETIN is published by the Wisconsin Department of Employee Trust Funds. There are three editions: one for all employers, one for local employers with items just for their interest, and one for state agencies. Questions should be directed to contact persons listed, or to the Division of Trust Finance & Employer Services. Call John Vincent at (608) 261-7942.

EMPLOYER AGENTS: This Bulletin may be copied 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>.

ONLINE NETWORK FOR EMPLOYERS SECURITY AGREEMENT

Wis. Stat. § 40.07 (1)

- I. **Employee:** Read the provision set forth below and complete your name, work address, work phone number, e-mail, signature and date below.

I understand that Security measures have been established to provide necessary inquiry and update abilities for the Wisconsin Retirement System (WRS). I agree to maintain the confidentiality of all information that I obtain through on-line access to WRS accounts. I understand that information in these accounts is not a public record and disclosure to any person or organization is absolutely prohibited.

I further understand that the Online Network for Employers is intended for use by employers to administer WRS and other Department of Employee Trust Funds (DETF) administered benefit programs and is not intended to provide information to members or to assist members in making retirement decisions. I also understand that the *Previous Service and Benefit Inquiry Application* is not intended to provide complete information to make important decisions regarding a member's WRS benefits.

I have read the provision set forth above. I understand that Wisconsin Statutes, § 943.70 provide criminal penalties for offenses against computer data and programs. Violation of this provision will result in termination of my on-line access to WRS active member accounts and/or termination of my Employer's on-line access to WRS active member accounts.		
Employee Name/Work Address/Work Phone Number:	DETF Security Administrator Use Only	
Employee Signature/Date:	Logon ID	DETF Security Administrator Signature/Date
Employee E-mail Address:		

- II. **Employer WRS Agent:** Certify that the above employee is authorized to gain access to the Online Network for Employers by completing the area below and checking those applications for which authorization is being given. Please notify DETF immediately if your authorized employee terminates or loses authorization.

- WRS Previous Service & Benefit Inquiry
- WRS Contribution Remittance
- WRS Account Update

(**Caution:** Authorization for the WRS Account Update application will enable your authorized employee(s) to perform any and all WRS account updates, including those implemented in the future. Additional authorization will not be required.)

I understand that Wisconsin Statutes, § 943.395, provide criminal penalties for knowingly making false or fraudulent claims on this form and hereby certify that, to the best of my knowledge and belief, the above information is true and correct. I certify that I am responsible for reporting information to the Wisconsin Retirement System.	
Employer Name:	Employer ID Number: 69-036-
WRS Agent Name:	Phone Number:
WRS Agent Signature:	Date:

- III. **DETF Security Officer:** Will issue each designated employee a Logon ID, password, and PIN to gain access to the system. Please allow two to three weeks to receive authorization and instructions for access.

Instructions to Transmit Annual Reports Using On-Line Network for Employers' (ONE) Transaction Upload Application

1. Once you have accessed ONE site, select Transaction Upload. Enter your 7-digit Employer Identification Number (EIN), [e.g., 1234000] and click the **Submit** button. The system displays a screen listing your employer name, identification number, a report history of previous upload attempts (lists a maximum of the last five attempts), a Browse button and an Upload button.
 2. Click the **Browse** button and select the annual report file you wish to upload. Be sure the file complies with the format specifications described in Chapter 12, section 1205 of the *WRS Administration Manual* (ET-1127, rev. 07/2004) (http://etf.wi.gov/employers/wrschap_12.pdf).
 3. After you select the file, the address should appear in the field to the left of the browse button. Click the **Upload** button and the system will run a pre-validation edit program to check the file for errors. If there are no errors, proceed to step 7 (skip steps 4 through 6).
 4. In the event there are errors, a message on the screen displays "Validation Failed" along with a list of the errors including the following information:
 - Row Number (indicates the row number on which the error is located in the report)
 - Field Number (for example "4" for report date)
 - Field Name (Ex. "Report Date" for field number 4)
 - Original Entry (Ex. 20051231 for report year 2006)
 - Error Message (Ex. "Report date for P000 should be 1231 of processing year in CCYYMMDD format")
 5. Click the **Continue** button to return to the Upload screen. You will notice that an entry is added to the report history with a status of "Validation Failed."
 6. Repeat steps 2 through 5 until all errors are cleared.
 7. Once the file is error-free, the system uploads the file. An entry is added to the report history with a status of "Uploading." You will not receive additional data format error messages once you reach the status of "Uploading." However, errors may be identified once the annual report updates to ETF's WRS system. ETF staff may contact you for error resolution at that time.
 8. Once the file has uploaded, a message will appear on the screen stating "Upload Successful" along with the total number of rows transmitted. The screen will also display totals from the uploaded file similar in format to the *Electronic Reporter Transmittal* (ET-2536). Review these totals for correctness before submitting the file.

Note: You may wish to print the Transmission Totals screen for your records before submitting the file.
 9. Click on the **Submit** button when ready to submit the file or the **Cancel** button to cancel the process and return to the Upload screen where another upload attempt may be made. If "Cancel" is selected, the system updates the record history with a status of "Cancelled by User."
- Note:** If for any reason the upload is interrupted, the system updates the status of the record history to "Upload Failed."

DO NOT END THE TRANSACTION UPLOAD APPLICATION if you receive an error message. Correct the file, save it to your directory, and attempt to upload again.

10. Once the file is submitted, record history is updated with a status of "Processing." Press F5 function key on your keyboard to refresh screen and view the updated status or log back on at a later time. Processing usually takes a few minutes to complete, but may take up to 24 hours, depending on volume of reports being submitted. If any previous upload attempts have a current status of "Uploading," "Processing," or "Validated, Under User Review" you will not be allowed to attempt a new upload and a message will appear on the screen stating this.
11. The status message "Processing Complete" will appear when the file is successfully processed and transmitted to ETF and you will no longer be able to load an adjustment to this 2006 file. In the event adjustments are necessary, please contact ETF. (See below for contact information.)
12. If you administer WRS for more than one employer, you can submit the annual report for each WRS employer by clicking the 'Switch Employer' button. Clicking this button takes you to Annual Report Submission Employer Log In screen where you can put the new employer number. Repeat steps 1 through 11 above to submit annual report for another employer.
13. For questions or information regarding this application, please contact one of the following:
Mary Dupuis..... (608) 264-6637
Marilyn Lim..... (608) 266-0778
Employer Communication Center
(888) 681-3952 toll free or
(608) 264-7900 locally