Institution Administrator Call

July 07, 2022



Agenda

- Portal Articles
- WRS Contribution Rates for 2023
- WRS Single Payroll Transition Program Reminders
- Single Pay Changes Reminder



Portal Articles

Recently posted articles:

JUNE 27: Bank Unused Vacation Hours

JUNE 27: <u>Summer Prepay Deductions: Summer Employment / Family Status Changes</u>

JUNE 14: June 30 Deadline to Use Carryover Vacation and Holiday Hours

JUNE 7: WEA Trust To Exit State Group Health Insurance Program

Upcoming articles:

- Mid-Year Benefits Check-Up
- Investment Changes: UW 403(b) Supplemental Retirement Program



Wisconsin Retirement System (WRS) Contribution Rate Update for 2023

WRS Contribution Rates will *increase* for all employee types, effective January 1, 2023.

	2023	2022	Change		
General / Teacher / Executive					
Employee Contribution	6.80%	6.50%	Increase		
Employer Contribution	6.80%	6.50%	Increase		
Total	13.60%	13.00%			
Protective					
Employee Contribution	6.80%	6.50%	Increase		
Employer Contribution	13.20%	12.00%	Increase		
Total	20.00%	18.50%			

Accumulated Sick Leave Conversion Credit Contributions (employer contribution) will increase for 2023 from .80% to .90%. Duty Disability for Protectives will decrease to .04%. Note: The employer contribution to this program does not affect the value of an employee's Sick Leave Credit Conversion Program credits.

For more information on the WRS, go to the WRS web page. Contact UW System HR at uwshr@uwsa.edu with questions.

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- Program created as a result of the transition from a monthly payroll cycle to a biweekly payroll cycle
- Employees paid biweekly receive a paycheck approximately two weeks after the end of the payroll period which typically results in 26 paychecks during a fiscal year
- Due to the transition to a biweekly payroll employees will receive 25 paychecks for fiscal year 2022 because:
 - employees were paid for all days worked in June 2021 on June 30, 2021; and
 - received only one biweekly paycheck in July 2021
- Resulted in less earnings reported to the WRS for fiscal year 2022 because of the change in the timing of when the wages were paid



- Eligible employees have the option to accelerate the payment and reporting of wages to WRS for days worked up to June 30th prior to the end of the fiscal year which means wages will be paid in June for all days worked in June
- Provides eligible employees approved for the program with an additional biweekly paycheck in the employee's last full fiscal year prior to retirement
- For employees retiring at the end of fiscal year 2022 and who were approved for the program, the employee will have 26 paychecks
- Program is available for fiscal years 2022, 2023, and 2024. It will allow employees who plan to separate from service during the next 3 fiscal years to include fiscal year 2022 as one of their highest 3 years of earnings for WRS formula benefit calculation purposes



- How are paychecks of employees who were approved for the program affected?
 - June 30, 2022 Employees had a larger than normal paycheck since wages were moved from their July 14, 2022 paycheck
 - Includes wages for June 5, 2022 June 30, 2022
 - July 14, 2022 Employees will have a smaller paycheck since wages were moved to their June 30, 2022 paycheck
 - Includes wages for July 1, 2022 July 2, 2022
- How are benefit deductions affected?
 - June 30, 2022 Insurance premiums were deducted as normal
 - July 14, 2022 If the employee has wages insurance premiums will be deducted
 - July 28, 2022 Regular insurance premiums will be deducted and any missed insurance premiums from the July 14 paycheck



Communications:

• Week of June 27, 2022 – Email to remind employees they were approved for the program for fiscal year 2022 and outline how their paychecks were affected

Employee Questions:

- Institution HR Representative Coordinating retirement date and use of banked leave to extend time on payroll
- Institution Benefits Contact Questions on the program

HR/Benefits Administrator Questions:

- Program/Policy clarification <u>uwshr@uwsa.edu</u>
- Processes, Status of applications benefits@uwss.wisconsin.edu



Resources:

- WRS-Single Payroll Transition web page
- <u>FAQ</u>
- <u>Application</u>

Resources will be updated in the fall in preparation for year 2 of the program (applications due May 1, 2023)







The Single Payroll project was a system-wide initiative to standardize UW System payroll by eliminating the monthly payroll cycle and moving all employees to a biweekly payroll cycle. The transition started in July 2021. Employees who were previously on a monthly payroll cycle received their first biweekly paycheck on August 26, 2021.

Employees who are paid on a 9-month basis (C-basis) and receiving a summer service or summer session paycheck may be experiencing changes for the first time as a result of the transition.

- UW 403(b) Supplemental Retirement Program (SRP) and Wisconsin Deferred Compensation (WDC) 457 Program
 - With the transition to biweekly payroll, SRP and WDC Program contributions are deducted from all paychecks including summer service and summer session
 - Employees may adjust their contributions to these programs through the standard process if they do
 not want contributions deducted from their summer pay



- Flexible Spending Account (FSA) and Health Savings Account (HSA) employee contributions
 - With the transition to biweekly payroll, FSA and HSA employee contributions are deducted from all paychecks including summer service and summer session
 - FSA only: Employees do not have the option to adjust their annual election unless they have a qualifying life change event
 - HSA only: Employees may adjust their contributions to their HSA through the standard process if they do not want contributions deducted from their summer pay
 - Deductions from summer paychecks helps to reduce the deduction amount in the fall when the employee returns
- Reminders for the HSA employer contribution and Health Opt-Out Incentive
 - HSA employer contributions
 - Processed on all A and B checks during the summer for C-basis employees and remitted to Optum
 - Health Opt-Out Incentive

• Processed on all A and B checks during the summer for C-basis employees

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- C-basis employees summer paychecks and Summer Prepays
 - Prior to Single Payroll summer paychecks were processed separately in HRS.
 - Now that summer paychecks are part of the standard payroll cycle C-basis employees who have summer paychecks see the movement of summer prepay funds on their paycheck from the prepay code to the applicable insurance deduction code.

June 16, 2022 Paycheck

[BEFORE-TAX DEDUCTIONS			AFTER-TAX DEDUCTIONS			BEFORE-TAX DEDUCTIONS			AFTER-TAX DEDUCTIONS			
	Description Access-In State & Dental DeltaVision Fidelity Wisconsin Retirement System Prepaid Before-Tax	Current 130.00 2.86 100.00 182.39 132.86	¥TD 1,300.00 28.60 1,100.00 2,002.71 797.16	Description	Current	YID	Description Access-In State & Dental DeltaVision Fidelity Wisconsin Retirement System Prepaid Before-Tax	Current 130.00 2.86 100.00 127.67 -132.86	¥TD 1,430.00 31.46 1,200.00 2,130.38 664.30	Description	Curr	rent	YID
	TOTAL:	548.11	5,228.47	TOTAL:	0.00	0.00	TOTAL:	227.67	5,456.14	TOTAL:	(0.00	0.00

June 2, 2022 Paycheck

C Paycheck Reminder:

- The next C payroll will have a paycheck date of August 11, 2022
- C payroll paychecks will have limited deductions
- Review the <u>Pay Schedule</u> for a summary of deductions from each paycheck



Questions





Campus Collaboration & Discussion

• For discussion topics email <u>uwss-svc.CampusCallSlides@uwss.wisconsin.edu</u>

