Agenda

- WED in HRS
- UW Service Center Directory
- Leave of Absence Process Update
- Health Applications Review
- Benefits Updates
- Funding Updates
- December Calendar
- Miscellaneous
- Roadmap Update (if time)
<table>
<thead>
<tr>
<th>WED Delivery Item</th>
<th>Count</th>
<th>Operational Gain</th>
<th>Value Proposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees Missing / Incorrect Date of Birth</td>
<td>22</td>
<td>Required for Benefits Enrollments and BN Processing</td>
<td>Legal Compliance Risk / Benefits Processing Risk</td>
</tr>
<tr>
<td>Employees Missing Addresses</td>
<td>486</td>
<td>Manual Intervention Required for PY Processing / Tax Reporting</td>
<td>W-2 Issue &amp; Compliance Social Security Act</td>
</tr>
<tr>
<td>Limit Pay Basis for Select Job Codes</td>
<td>28</td>
<td>WRS Hours &amp; Earnings Credit Not Automatic, Manual Intervention</td>
<td>Benefits Processing Risk (Includes WRS)</td>
</tr>
<tr>
<td>Identify Employees with Incorrect Rehired Annuitant Flags</td>
<td>184</td>
<td>If not set, WRS will automatically begin deductions. Reduce WiscITS &amp; Over-Deduction</td>
<td>Benefits Processing Risk (Includes WRS)</td>
</tr>
<tr>
<td>Defaulted Primary NID (SSN) Query</td>
<td>304</td>
<td>Manual Intervention Required for Processing &amp; Vendor Communication</td>
<td>Legal Compliance Risk</td>
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<tr>
<td>Missing Continuous Service Date</td>
<td>1</td>
<td>Data Clean-Up Task Performed Manually Before Each Payroll</td>
<td>Payroll Risk</td>
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<tr>
<td>New Hire Hold Report</td>
<td>N/A</td>
<td>Report shows employees who are missing Job Data required for Correct Benefit Program enrollment.</td>
<td>Benefits Processing Risk (Includes WRS)</td>
</tr>
</tbody>
</table>
UWSC Distribution Lists

- uwpc-telecon@lists.services.wisc.edu = Institutional Payroll and Benefits Coordinators

- divpayben-list@lists.services.wisc.edu = UW Madison Divisional Payroll and Benefits Coordinators

- payben-coord@lists.services.wisc.edu = UW Madison Departmental Payroll and Benefits Coordinators

- uwsc-staff@lists.wisc.edu = UW Service Center staff
How Do I Know Who’s On the List?

UW Service Center Directory: https://uwservice.wisc.edu/directories/index.php

- Choose ‘Institution/Group’
  - Either ‘All Institutions’ or your specific institution
  - Either ‘All Groups/Lists’ or a specific list
    - ‘Payroll and Benefits Coordinators (System Wide)’ = uwpc-telecon@lists.services.wisc.edu
    - ‘Divisional Payroll and Benefits Coordinators’ = divpayben-list@lists.services.wisc.edu

Corrections / Updates?
- https://uwservice.wisc.edu/contact.php
Leave of Absence Process Update

• Only ~40% of LOAs have Insurance Continuation or Cancellation Intention form submitted

• Benefits Services compares LOA report to forms received, however, some LOAs not entered into HRS (e.g., hourly employees)

• Need your help in encouraging departments to submit form (timely would be nice)

• May be necessary to charge departments for employee share if benefits not cancelled within the ETF deadlines
Leave of Absence Process Update

• How can Benefits Service assist departments and/or employees? Available for consultation –
  – Completion of the form
  – Options on coverage
  – Payment options, e.g., prepays vs benefits billing

• Benefits Services developing letter for employee (copy to division/department) with overview of leave and steps upon return from leave
Health Application Review

• Be sure new health application is used
  – Form ET2301 (revised 9/13)
  – Dispose of old health applications

• Areas not being completed on the application:
  – Marital or Domestic Partner Status section even if spouse or domestic partner not being covered (e.g., marriage date)
  – Health Plan Selected

• DOMA (Defense of Marriage Act)
  – Same sex married couples need to complete the Tax Status Verification of Marriage to eliminate Federal Imputed Taxes as well as file for a Chapter 40 Domestic Partnership Affidavit.
    http://www.uwsa.edu/ohrwd/benefits/dp/uws55.pdf
  – Must be submitted to Benefits Services
# Health Application Review

To establish a domestic partnership, click on the following link and complete this form: Affidavit of Domestic Partnership ET-2371

To enroll a domestic partner in the State of Wisconsin Group Health Insurance Program:
- Attach a copy of your ETF acknowledgement letter to this insurance application.
- Retain copies of all documents for your records.

## Health Insurance Application/Change Form

<table>
<thead>
<tr>
<th>1. APPLICANT INFORMATION</th>
<th>ETF Member ID</th>
<th>SSN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Name – First</td>
<td>M.I.</td>
<td>Last</td>
</tr>
<tr>
<td>Previous Name</td>
<td>DOB</td>
<td>Gender</td>
</tr>
<tr>
<td>Home Mailing Address—Street and No.</td>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>Primary Telephone Number: (  )</td>
<td>Country (if not USA)</td>
<td>Applicant E-mail:</td>
</tr>
</tbody>
</table>

**MARITAL OR DOMESTIC PARTNERSHIP STATUS:**
- Single
- Married
- Domestic Partnership (DP)
- Divorced
- Widowed
- Date:

**Spouse/DP:**

<table>
<thead>
<tr>
<th>SSN</th>
<th>Name</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Previous Name</th>
<th>Physician/Clinic</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>DOB</th>
<th>mm/dd/yyyy</th>
<th>Gender</th>
<th>Tax Dep</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

**ELIGIBILITY STATUS:**
- Employee
- Graduate Assistant
- Survivor
- Continuant (COBRA)
- Annuitant/Retiree

**NEW HIRE — I WANT MY COVERAGE TO BE EFFECTIVE:**
- As soon as possible (Employee will pay entire monthly premium until eligible for contribution)
- When employer contributes to premium

**Coverage Desired**
- Single
- Family

**Health Plan Selected:**

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*UNIVERSITY OF WISCONSIN–MADISON*
Benefits Updates/Reminders

• Hardcopy Packets being prepared
• Benefits Eligibility Grid modified
• Action Reason Codes important to benefits
  – Layoff
  – Transfer to State Agency
• UWACA
  – Encourage use; safeguard to an audit
Funding Updates

• Report: Total by Pay Period/Detailed Salary Funding Plan Report (former “Paydata” report) fixed as of 11/25/13

• Reference Sheet for Funding Employee Jobs in HRS updated as of 11/13/13
December A (12A) Payroll Schedule

- Paysheets Created – Sunday night 12/15/13
- Payline Request Deadline – 12/16/13, 4:30pm
- Payline/retro pay load to paysheets – Monday 2/16/13 (overnight)
- FICA deadline – 12/17/13
- Final Calc/Confirm – Wednesday noon 12/18/13

<table>
<thead>
<tr>
<th>Day</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sun</td>
<td>12A Paysheets Created</td>
</tr>
<tr>
<td>Mon</td>
<td>Payline requests deadline – 4:30pm</td>
</tr>
<tr>
<td></td>
<td>Payline/retro load to paysheets (overnight)</td>
</tr>
<tr>
<td>Tue</td>
<td>FICA deadline</td>
</tr>
<tr>
<td>Wed</td>
<td>12A Final Calc &amp; Confirm - Noon</td>
</tr>
</tbody>
</table>
December Monthly (12M) Payroll Schedule

- Paysheets Created – Wednesday night 12/18/13
- Payline Request Deadline – 12/20/13, **NOON**
- FICA Deadline – 12/20/13
- Payline/Retro pay load to paysheets – Saturday 12/21/13 (overnight)
- Final Calc/Confirm – Monday noon 12/23/13

<table>
<thead>
<tr>
<th>Wed</th>
<th>Thu</th>
<th>Fri</th>
<th>Sat</th>
<th>Sun</th>
<th>Mon</th>
</tr>
</thead>
</table>
| 18 12M Paysheets Created | 19  | 20 Payline Request deadline - NOON  
FICA Deadline | 21  Payline/retro load to paysheets (overnight) | 22  | 23 12M Final Calc/Confirm - NOON |
December B (12B) Payroll Schedule

- Paysheets Created – Thursday night 12/26/13
- Payline Request Deadline – 12/30/13 **NOON**
- Payline/Retro load to paysheets – 12/30/13 (overnight)
- FICA Deadline – 12/30/13
- Final Calc/Confirm – Thursday noon 1/2/14
Miscellaneous

• Annual employee address review for W-2s
• Multi-factor security
• Security Awareness Test
• Security Approvers List
• Divisional Liaisons List
• Service Center now in UW System Administration
Positions of Trust

- There is a change to the Unclassified JEMS Hire that involves the new values and adjusts the user experience in regard to the “Position of Trust” fields. The changes are:
  - The “Position of Trust” field will be blank at the time of the Hire is created.
  - At the point the Department signs off on the hire (put on Dept. Approved); require that the Dept. must populate the field. If left blank the department will receive an edit that the field cannot be blank.
  - At the point of Division sign off, if the Dept. has populated the field with any of the flavors of YES (Y, Y2, Y4), then require that a CBC date is populated. Note that CBC’s are done by the Division and for the most part known only at that level). CBC date is used to populate the Position of Trust date field by JEMS.
Questions

• Next meeting: January 23
HRS Roadmap Projects Update

• Reduce Monthly Pay Calendars
• General Deduction Policy
• Reducing Paper Checks
• Benefits Billing Update
• Eliminate One Month in Advance Premium Deduction
Reduce Monthly Pay Calendars

Problem and Effect

Currently each institution’s pay calendars mirror their unique academic calendars and create differing monthly pay period begin and end dates. This demands additional administrative effort by the Service Center to annually configure future-year calendars and contributes to HRS break/fix issues:

- Annual benefit rate changes became effective too early
- Gaps between calendars prevent payroll and benefits processing
- Additional configuration and administration required on unrelated initiatives to accommodate calendar variations (ex. benefit program consolidation)

Proposed Project Approach

Align pay calendars for academic employees and non-academic employees at all institutions to be on the same monthly cycle. Reduce calendars configured in HRS from 951 to less than 150. Maintain institutional flexibility over academic year calendar dates.

Phase I: Align academic (9 month) and summer service (non-teaching) calendars for all institutions with non-academic (12 month) calendars

Phase II: Align summer session (teaching) calendars for all institutions and with non-academic (12 month) calendars
Reduce Monthly Pay Calendars

Payoff and Business Case

- Simplify payroll administration
  - Reduce complexity of the system with fewer Paygroups and Pay Calendars, and reduce annual HRS configuration effort
  - Reduce effort needed to configure HRS annually
  - Process one transaction to pay an employee having multiple jobs - academic and non-academic (currently requires two transactions)
- Provide academic employees paychecks on 9/1 for August work rather than waiting until 10/1 for first payment
- Reduce testing effort for future HRS upgrades

Challenges and Mitigation

Challenge: Change management (calendar misperceptions, unequal payments, benefit prepay)
  Mitigation: Communicating to impacted leadership groups
Challenge: Completing fall appointment processing by August payroll to receive partial 9/1 check
  Mitigation: Develop an HRS program to calculate missed pay and load next payroll
Challenge: Institutions deviating from 273 day academic years would pay employees for actual days worked
  Mitigation: Having initial discussions with institutions on effects and solutions
There are 195 general payroll deductions available in HRS, without defined policy criteria for approving new deduction requests from institutions or retiring existing deductions. Creating and maintaining under-used deductions results in additional administrative burden for the Service Center:

- Deduction configuration and testing
- Vendor file loading into HRS for each payroll
- Vendor payment processing and reconciliation

**Policy:** Create general payroll deduction policy to align deduction requirements with mission of UW System and decrease the number of deductions in HRS

**Critical Review:** Recommend deactivating 56 general payroll deductions from HRS

- Majority are institutional-specific (ex. event tickets, recreational dues, meal plans, etc)
- 18 of the 56 deductions were not utilized in the past year
- Average number of times used in a month:
  - For all current 195 deductions – 171 times each
  - For 56 deductions to be deactivated – 42 times each
General Deduction Policy

Payoff and Business Case

- Simplify payroll administration
  - Potentially reduce number of general deductions by more than 25%
  - Reduce journal entries and internal Finance processing
  - Reduce configuration and testing by approving fewer new deduction requests
- Simplify deduction management for employees with multiple jobs

Challenges and Mitigation

Challenge: Employee push-back for removing deductions
Mitigation: Change management through institutional HR offices to communicate alternate personal payment methods available
<table>
<thead>
<tr>
<th>Problem and Effect</th>
<th>Proposed Project Approach</th>
</tr>
</thead>
</table>
| In fiscal year 2013 the Service Center printed more than **22,700 paper paychecks** for employees. At the end of FY13 there were **still 2,200 employees without ACH data in HRS**. Paper check printing is an administrative burden that costs significantly more than ACH payment, including printing hardware, printing supplies, and manual handling and distribution. | Phase out printing manual paper checks and accelerate employee usage of ACH electronic payments.  
**Phase I:** Reduce paper checks from regular on-cycle payroll processing (~17,000 checks/year)  
- Include **ACH data as a condition of employment** in the UW-System Payment Methods policy (G32)  
- Establish a **pay card vendor relationship**, which employees unable to establish a banking relationship can work with to procure pay card and ACH data  
**Phase II:** Eliminate paper checks from off-cycle payroll processing (~5,500 checks/year)  
- Develop a modified ACH bank file program or configure off-cycle pay calendars |
Reducing Paper Checks

Payoff and Business Case

- Approximately 65% cost savings for each paper check moved to ACH
- Reduce risk of misplaced or stolen checks
- Simplify operations at the Service Center from not needing to disseminate paper checks
- Simplify canceling or voiding payments

Challenges and Mitigation

Challenge: Change management for employees previously unwilling to give up paper checks

Mitigation: Communicate and counsel on ACH advantages

Challenge: Change management for “unbankable” employees

Mitigation: Counsel employees and provide pay card literature and sign-up instructions
Benefits Billing Update

**Task:** Implement standard benefits billing policies and move benefits billing function to UW institutions

**Work to date:**

- Updated current benefits billing invoice
- Drafted delinquency and collections letter (not yet in production)
- Drafted leave of absence checklist for completion by employee to indicate how to handle benefits during leave
- Amassed all contract provisions related to non-payment of premium and cancelation of coverage (currently in use at SC)
Benefits Billing Update

Work in progress:

- Finalize policy document (with goal to include policy on all employee-owed payments)
- Revise F39 (Collections & Write-Offs) to include employee debt collections
- Work with Department of Revenue to create a system to refer outstanding debts for collection, if necessary
Benefits Billing Update

Work in progress:

- Development of KBs and training plan (subgroup lead by Sandy Smith)
- Research ability to institute process to allow employees to pay outstanding debt (benefit premiums, salary overpayments...) via credit card.

**Estimated timeline** – hope to roll out prospective benefits billing process to institutions by early 2014

**Pending** – collection and/or write-off of retroactive benefit premiums owed

- This issue is under discussion at executive level and prospective benefits billing policy will likely not address outstanding benefits balances from 2011 and 2012
**Task:** Analyze Roadmap proposal to align the benefit deduction month to the current coverage month (benefit deductions currently taken from earning month prior to coverage month)

**Identified issue:** PeopleSoft is designed to take benefit deductions current month so modification is in place to take benefit deductions in advance of coverage month

- Causes HRS processes to suspend on nightly basis - manual intervention required on daily basis to correct
- Manual review needed for all retro premium deductions for new hires and terms/rehires
- Manual review of Deduction Date Override report need daily and corrections made
**Timeline:** Work group met for first time on October 30; plan to meet every 2 weeks; duration of project TBD

**First Step:** Reviewed identified issue and project plan with work group

**Next Steps**
- Define and review impact (pros and cons) of change on:
  - Employees
  - SC and institutional staff
  - Vendors
  - UW System (financial impact of “floating” premiums to vendor before collection from employee)
  - Current plan contracts
  - Other state agencies
  - HRS both now and ongoing
  - Reconciliation and audit
- Research standard business practices regarding timing of premium deductions
- Reach out to other higher eds who use PeopleSoft and have similar modifications