Important Year-End Deadlines

With the end of year quickly approaching, University Payroll & Benefits would like to highlight important information including year-end deadlines for all units and employees.

2019 BW 24 pay day is Nov. 27.

**Holiday Break**

**Adjustment Calculation**

The deadline to submit prior pay period adjustments will be noon, Friday, Dec. 13. Adjustment pay date will be Friday, Dec. 20.

This will be the last adjustment calculation for the 2019 Calendar Year.

Please ensure that all prior pay period adjustments needing to be paid in 2019 are submitted by the deadline at noon, Friday, Dec. 13.

2019 BW 26 pay day is Dec. 24.

**Thanksgiving**

**Adjustment Calculation**

Due to the shortened week during the Thanksgiving Holiday, the deadline for approving all prior pay period adjustments will be noon, Friday, Nov. 22, and will be paid on Friday, Nov. 29.

Any prior pay adjustments approved after noon, Friday, Nov. 22, and by noon, Tuesday, Dec. 3, will be paid on Friday, Dec. 6.

2019 BW 25 pay day is Dec. 11.

2019 BW 25 pay day is Dec. 11.

**2020 BW 1 Calculation**

Feeder files are due by 4:55 p.m. on Thursday, Jan. 2. Department approvers have until noon, Thursday, Jan. 2, for timesheet approval. Superusers have until 5 p.m., Thursday, Jan. 2, for timesheet approval.

Current pay adjustments can be submitted through the Payroll Adjustment Request Interface System (PARIS) until 10 a.m. on Friday, Jan. 3.

Please refer to the payroll schedule for all other calculation deadline information.

2020 BW 1 pay day is Jan. 8.
A Friendly Reminder from CMS for Benefit Eligible Employees

The Illinois Department of Central Management Services (CMS) allows new benefits eligible employees 30 calendar days from their eligibility date to complete an election for their state of Illinois health, dental and life insurance. All necessary documentation to add dependents, or provide proof of other coverage to opt-out of the state plan must be submitted within the same 30 day timeframe.

Units are reminded to initiate the new hire processes as soon as possible to give the new employee the maximum time to make benefit selections. CMS is unable to grant an extension of the enrollment period due to the agency or university failure to submit an employee’s information in a timely manner, or due to the employee’s failure to attend a benefits orientation.

The following instances should NOT be sent to CMS for appeal:
• Member failed to complete their initial enrollment within 30 days of hire date.
• Member failed to provide required documentation to enroll dependents within the initial 30 days or qualifying 60 days.
• Member failed to provide complete documentation of proof of other coverage within the initial 30 days or qualifying 60 days.
• Member failed to provide documentation of dependent ineligibility within the required timeframe.

The only exception to the above is if there is proof that the member was provided incorrect information by either their agency or the My-Benefits Service Center (MBSC) indicating the requirement did not apply.

Separations are as much of a concern as are the late appointments. Late separations are one of the main causes of discrepancies with CMS. If the employee has left the University of Illinois System and will not receive any more pay but is due a refund of premiums, the employee has to be refunded through the state Comptroller’s Office.

Calendar Year 2019 Overpayment Processing

The following deadlines must be met to facilitate timely correction of payroll records and avoid significant tax consequences for employees who received overpayments in 2019.

<table>
<thead>
<tr>
<th>Transactions</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submitting overpayment adjustment requests through the Adjustment Notification Application (ANA).</td>
<td>Must be submitted to UPB by 5 p.m., Friday, Dec. 6.</td>
</tr>
<tr>
<td>Submitting employee repayments (money order, cashier’s check, or personal check) due to overpaid wages or salaries.</td>
<td>Must be received in UPB Customer Service by 3 p.m., Friday, Dec. 6.</td>
</tr>
<tr>
<td>Returning paper payroll checks that have not been distributed to an employee.</td>
<td>Must be returned to UPB Customer Service by 3 p.m., Friday, Dec. 6.</td>
</tr>
</tbody>
</table>

If these deadlines are not met, the processing of adjustments will be delayed and may not be reflected on the 2019 W-2 tax statements. Significant tax consequences on behalf of the employee could occur if repayments for 2019 overpayments are delayed and processed in 2020:
• The employee’s 2019 W-2 will report earnings higher than the employee should have received. The employee will then be required to pay taxes based on this reported amount when filing 2019 taxes.
• Employees will be required to file and pay taxes on the entire amount received and reported on the 2019 W-2.
• Repayment of a prior year overpayment will result in a tax letter being issued to the employee indicating the amount of earnings that can be adjusted. This letter can be used when filing tax returns. Employees who have questions regarding their personal income tax return or the tax letter should seek tax advice from a tax professional.
How Tax Residency Status Affects Benefits Eligibility: J-1, J-2, F-1, F-2 Visas

In most cases, new foreign national employees should be coded as non-benefits eligible. They are informed of benefit eligibility based on the Substantial Presence Test (SPT) determination and the job. An appointment for the SPT can be scheduled at http://training.obfs.uillinois.edu/index.cfm?campus=F or by contacting UPB customer service.

Benefit eligibility is verified when Resident Alien status is updated in Banner. A valid social security number is required for the employee to be entered in the Illinois Department of Central Management Services (CMS) Membership database and to make insurance plan elections.

Foreign national employees are required to have health insurance coverage to maintain their visa status as part of their U of I System agreement. Employees who are not eligible for the State Universities Retirement Systems (SURS) are not eligible for state or university insurance benefits.

Employees who have a change in tax residency status from Resident Alien (RA) to Nonresident Alien (NR) effective Jan. 1, 2020, based on the Substantial Presence Test are no longer eligible to be members of the SURS.

Only participants in SURS are eligible for state insurance administered by CMS. Insurance coverage for employees who lose SURS eligibility will end at midnight on Dec. 31, 2019.

After CMS receives notification of an employee’s termination date, they send a COBRA Offer Letter to the employee’s home address along with a rate sheet showing the premiums. The COBRA premium includes the employee and state cost plus a 2% administrative fee. COBRA will allow a temporary extension to health, dental, and vision coverage for an employee and any dependents.

Registration via Ability LMS

University Payroll & Benefits has moved online registration for New Hire Benefits Sessions, Enrollment Assistance Sessions (UIUC only), and SURS Webinar Sessions to the Ability Learning Management System (LMS).

The switch to Ability LMS has resulted in other changes, including:
- Employees must register themselves for sessions; the unit/department can no longer complete registration on behalf of an employee.
- New employees will have access to Ability LMS the day after the unit/department has processed the appointment completely.

Employees can register for a New Hire Benefits Orientation Session here: https://www.obfs.uillinois.edu/training/registration/.
Are You Retiring or Separating from the University of Illinois System?

The appropriate form(s) must be completed and received by University Payroll & Benefits (UPB) **no later than 60 days before your last day of employment**. Even if you have an existing 403(b) or 457 account, you must **complete and submit these forms** to defer your payout.

- If you do not have an active account under one of these plans, then you must open an account to defer your payout. Go to the [Systems HR Services](https://mybenefits.illinois.edu) website to view plan information and to open a 403(b) and/or 457 Plan account.
- Ask your unit HR contact or business manager to complete and fax to UPB the [Unit HR Calculation Worksheet](https://mybenefits.illinois.edu) estimating your payout amount. This is required to complete the 403(b) and/or 457 Plan deferral forms below.
- You are encouraged to contact UPB for assistance in completing these forms:
  - **403(b) Plan Deferral** – Complete a paper [Salary Reduction and/or Redirection Agreement form](https://mybenefits.illinois.edu). The Payout Designation section is at the top of Page 2.
  - **457 Deferred Comp Plan Deferral** – Contact UPB to complete the appropriate paper form.
- Submit your completed form(s) to UPB **no later than 60 days before your last day of employment**.

Verify Your State Benefit Elections and Payroll Deductions

**Personal Benefit Information**
Verify your benefit elections and personal information at [https://mybenefits.illinois.edu](https://mybenefits.illinois.edu).

- Remember, your MyBenefits login and password are different than your UIN, NetID, Enterprise ID, or other university logins. For help registering or logging in, see the [MyBenefits FAQs](https://mybenefits.illinois.edu).

**Payroll deductions**
Verify payroll deductions on your [Earnings Statement](https://mybenefits.illinois.edu).

**Questions?**
Contact University Payroll & Benefits Department:
Email: .............................................. benefits@uillinois.edu
Urbana-Champaign: .................................. (217) 265-6363
Chicago: .............................................. (312) 996-7200
Springfield: ........................................... (217) 206-7144
Calendar Year 2019 Taxable Benefits

Please make certain all taxable benefits are reported to University Payroll & Benefits at the time the benefits are received by an employee. This will ensure proper reporting on the W-2.

These benefits include the taxable amounts relating to the personal use of employer-provided vehicles, country club dues paid for members on behalf of the University of Illinois System, moving expenses, complimentary event tickets, car mileage (value of fuel for personal commuting use of a university vehicle), gifts, per diem amounts reimbursed to employee exceeding the IRS limits, expense reimbursements (greater than 60 days), non-qualified taxable benefits (value of benefits supplied to a domestic partner of an employee), tuition waiver amounts greater than $5,250, miscellaneous taxable benefits, and nonresident housing expenses.

For additional information and instruction related to taxable benefit reporting visit [http://www.obfs.uillinois.edu/bfpp/section-4-payroll/submit-taxable-fringe-benefit-payments/](http://www.obfs.uillinois.edu/bfpp/section-4-payroll/submit-taxable-fringe-benefit-payments/).

Out-of-State Salary/Wage Payments

If a University of Illinois System employee receives compensation paid in another state, and the system is registered as doing business in that state, the compensation is considered paid outside of Illinois. The U of I System is often required to withhold according to that state’s withholding regulations.

Departments and employees should contact University Payroll & Benefits to discuss the necessary steps to ensure proper state withholding.

For additional information and instruction related to state tax withholding visit [https://www.obfs.uillinois.edu/payroll/tax-information/withholding-allowance/](https://www.obfs.uillinois.edu/payroll/tax-information/withholding-allowance/).
Supplemental Long Term Disability Plans

Employees may notice a change in their December paychecks for the Prudential LTD deduction. Premiums are calculated annually based on salary and age. As salary changes, the deduction amount may change accordingly. Therefore, an increase in salary may result in an increased deduction amount. A decrease in salary, as with a job change, may result in a decreased deduction amount.

The rate categories are determined by age. Reaching an age in a higher rate category may increase the deduction amount. Premium changes are effective for the period of December 1, 2019 through November 30, 2020.

- For bi-weekly paid employees: Any change to University LTD Plan premiums will be effective with the December 11 paycheck.
- For monthly paid employees: Any change to University LTD Plan premiums will be effective with the December 16 paycheck.

Benefit

The University LTD plan with Prudential is a supplement to the SURS Disability plan. If not enrolled in this plan, your SURS disability benefit is 50 percent for qualifying disabilities. When also enrolled in the University LTD plan the benefit increases to 66.67% (50% SURS + 16.67% University LTD). If there are no disability benefits under SURS, then the University LTD plan benefit is 66.67% for qualifying disabilities.

Questions?

Additional plan information is available at Systems HR Services. Contact your campus UPB office with any questions.

Customer Service and Payroll Operations Metrics

Customer Satisfaction:

Emails, calls, and walk-ins made to University Payroll & Benefits Customer Service Center are tracked using Service Desk Manager Software, TouchPoint Phone System, and Microsoft Office. Below is the total number of University Payroll & Benefits Customer Service cases resolved each month between July and September 2019.

Cases Closed:

<table>
<thead>
<tr>
<th>Month</th>
<th>Cases Closed</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>4,328</td>
</tr>
<tr>
<td>August</td>
<td>4,069</td>
</tr>
<tr>
<td>September</td>
<td>4,550</td>
</tr>
<tr>
<td>TOTAL</td>
<td>12,947</td>
</tr>
</tbody>
</table>

Payroll Operations Metrics

During the third quarter of 2019, there were 50 Disposition 05 errors that had to be manually fixed by UPB Payroll Operations. This error occurs when an employee’s required statutory deductions are not active or do not exist during the pay period.

Payroll Adjustments Processed:

The total number of adjustment pay transactions processed by UPB Payroll Operations for the third quarter 2019 is:

<table>
<thead>
<tr>
<th>Month</th>
<th>Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>5,427</td>
</tr>
<tr>
<td>August</td>
<td>4,267</td>
</tr>
<tr>
<td>September</td>
<td>5,030</td>
</tr>
<tr>
<td>TOTAL</td>
<td>14,724</td>
</tr>
</tbody>
</table>
Payroll Calculation Deadlines

When do I get paid?
The University Payroll & Benefits calendar is available online at http://www.obfs.uillinois.edu/payroll/schedules.

<table>
<thead>
<tr>
<th>Pay Event</th>
<th>Time Entry Cutoff - Noon Superusers - 5 p.m.</th>
<th>PARIS Current Pay Adjustments - 10 a.m.</th>
<th>Pay Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bi-Weekly 23</td>
<td>November 5, 2019</td>
<td>November 6, 2019</td>
<td>November 13, 2019</td>
</tr>
<tr>
<td>Monthly 11</td>
<td>--</td>
<td>November 8, 2019</td>
<td>November 15, 2019</td>
</tr>
<tr>
<td>Bi-Weekly 24</td>
<td>November 19, 2019</td>
<td>November 20, 2019</td>
<td>November 27, 2019</td>
</tr>
<tr>
<td>Bi-Weekly 25</td>
<td>December 3, 2019</td>
<td>December 4, 2019</td>
<td>December 11, 2019</td>
</tr>
<tr>
<td>Monthly 12</td>
<td>--</td>
<td>December 10, 2019</td>
<td>December 16, 2019</td>
</tr>
<tr>
<td>Bi-Weekly 26</td>
<td>December 17, 2019</td>
<td>December 18, 2019</td>
<td>December 24, 2019</td>
</tr>
<tr>
<td>Bi-Weekly 01</td>
<td>January 2, 2020</td>
<td>January 3, 2020</td>
<td>January 8, 2020</td>
</tr>
<tr>
<td>Monthly 01</td>
<td>--</td>
<td>January 8, 2020</td>
<td>January 16, 2020</td>
</tr>
<tr>
<td>Bi-Weekly 02</td>
<td>January 14, 2020</td>
<td>January 15, 2020</td>
<td>January 22, 2020</td>
</tr>
</tbody>
</table>

Foreign National Tax Status Review Appointments

Chicago

Dates
December: 3, 11, 19
January: 8, 16, 28, 30
February: 4, 12, 18, 20, 25, 27

Times
9:30 - 11 a.m.
11:30 a.m. - 1 p.m.
2 - 3:30 p.m.

Location
Marshfield Ave. Building Room 723

Urbana-Champaign

Dates
December: 2, 10, 12, 18
January: 9, 14, 22, 27, 29
February: 3, 5, 10, 11, 13, 17, 19, 24, 26

Times
9 - 10:30 a.m.
11 a.m. - 12:30 p.m.
1:30 - 3 p.m.

Location
Henry Admin. Building Room 63

Springfield

Dates
Individual appointments available each Tuesday and Wednesday.

Time
Refer to registration website for available times.

Location
Business Services Building Room 85

For updates or changes to the Foreign National Mass Appointment Lab offerings, please refer to the registration site at: https://www.obfs.uillinois.edu/payments-foreign-nationals/tax-status-review-appointments/