A Friendly Reminder from CMS for Benefit Eligible Employees

New employees and employees who have a change in tax residency status from Non-resident Alien (NR) to Resident Alien (RA) effective January 1, 2022, must have a job that meets the criteria for benefit eligibility to be eligible for state insurance. Central Management Services (CMS) allows 30 calendar days from their benefit eligibility date to attend a Benefits Orientation Session. Employees must submit an election for their State of Illinois health, dental and life insurance and provide all necessary documentation to add dependents, or provide proof of other coverage to opt-out of the State plan. Employees can register for a New Hire Benefits Orientation Session at https://www.obfs.uillinois.edu/training/registration/.

Units are reminded to initiate the New Hire processes as soon as possible in order to give the new employee the maximum time to make their 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 timely, or due to the employee’s failure to attend a benefits orientation.

Delay of putting Separations in the system is as much concern as late appointments. Late separations are one of the main causes of discrepancies with CMS. If the employee has left the University and will not be getting any more pay but are due a refund of premiums, they have to be refunded through the State Comptroller’s Office.

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 https://www.obfs.uillinois.edu/payments-foreign-nationals/tax-status-review-appointments/ or by contacting UPB Customer Service.

UPB Service Portal

University Payroll & Benefits has implemented TeamDynamix as a replacement to Service Desk Manager. TeamDynamix is the preferred way for customers to contact UPB. Please submit payroll & benefits inquiries through the University Payroll & Benefits Service Portal.
University Payroll & Benefits Important Year-End Deadlines

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

Holiday Payroll Schedule

Thanksgiving Week

Adjustment Calc

Due to the Thanksgiving Holiday the deadline to process prior pay period adjustments that pay on Friday, 11/26/2021 will be noon Friday, 11/19/2021.

Any prior pay adjustments approved after noon Friday, 11/19/2021 and by 5:00 p.m. Friday, 11/26/2021 will be paid on Friday, 12/3/2021.

2021 BW 24 Pay Day is 11/24/2021

Holiday Break

Adjustment Calc

The week before holiday break, the deadline to submit prior pay period adjustments will be noon Thursday, 12/16/2021. Adjustment pay date will be Friday, 12/24/2021.

This will be the last adjustment calc for Calendar Year 2021. Please ensure that all prior pay period adjustments needing to be paid in 2021 are submitted by noon Thursday, 12/16/2021 deadline.

2022 BW 1 Calc

Feeder files are due by 5:00 p.m. Tuesday, 12/28/2021. Department approvers have until noon Tuesday, 12/28/2021 for timesheet approval. Superusers have until 5:00 p.m. Tuesday, 12/28/2021 for timesheet approval. Current pay adjustments can be submitted through the Payroll Adjustment Request Interface System (PARIS) until 10:00 a.m. on Wednesday, 12/29/2021. All other calc deadlines pertaining to units will remain the same.

2022 BW 1 Pay Day is 1/5/2022

There will be NO adjustment calc the week of 12/27/2021.

First Adjustment Calc of 2022

The deadline to submit prior pay adjustments to pay on Friday, 1/7/2022 will be noon Tuesday, 1/4/2022. Therefore, all prior pay period adjustments submitted after noon Thursday, 12/16/2021 and by noon Tuesday, 1/4/2022 will pay Friday, 1/7/2022.
Calendar Year 2021 Overpayment Processing

The following deadlines must be met to facilitate effective payroll overpayment adjustment processing for 2021-year end.

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units must submit overpayment adjustment requests through the Adjustment Notification Application (ANA).</td>
<td>Submit to University Payroll &amp; Benefits (UPB) by Friday, 11/19/2021.</td>
</tr>
<tr>
<td>Units must submit employee repayments (money order, cashier’s check, or personal check) due to overpaid wages or salaries.</td>
<td>Repayments (money order, cashier’s check, or personal check) should be mailed to UPB Customer Service by Friday, 12/3/2021.</td>
</tr>
<tr>
<td>Units must return paper payroll checks that have not been distributed to an employee.</td>
<td>Return paper payroll checks to UPB Customer Service via campus mail by Friday, 12/3/2021.</td>
</tr>
</tbody>
</table>

If these deadlines are not met, the processing of adjustments will be delayed and will not be reflected on the 2021 W-2 tax statements. Therefore, the employee’s 2021 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 2021 taxes.

Repayment of a prior year overpayment will result in a tax letter being issued to the employee indicating the amount of earnings that have been repaid. This letter can be used when filing their taxes in the upcoming year. Employees who have questions regarding their personal income tax return or the tax letter should seek tax advice from a tax professional.

If you have questions about the processing deadlines, please contact University Payroll & Benefits at the University Payroll & Benefits Service Portal.

Select your university to create a service ticket and access support knowledge.

**UIC**  **UIS**  **UIUC**

Phone Support Lines:

**UIUC:** 217-265-6363
**UIC:** 312-996-7200
**UIS:** 217-206-7144
How Tax Residency Status Affects Benefits Eligibility J-1, J-2, F-1,

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 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 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 January 1, 2022, based on the Substantial Presence Test are no longer eligible to be members of the State Universities Retirement System (SURS).

Only participants in SURS are eligible for state insurance administered by the Illinois Department of Central Management Services (CMS). Insurance coverage for employees who lose SURS eligibility will have their employee and dependent coverage end at midnight on December 31, 2021.

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.

Are You Retiring or Separating from the University?

Are you planning to retire or separate from University employment? If so, you may be eligible to defer a portion of your vacation and/or compensable sick leave payout to your University 403(b) or State Deferred Comp 457 Plan account. Action is required to defer your payout.

The appropriate form(s) must be completed and received by University Payroll and 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 Website to view plan information and to open a 403(b) and/or 457 Plan account.
- Retrieve the Benefits Payout Deferral Worksheet in the System HR Services website. Complete the top portion of the worksheet and send to your Unit HR person by email. They will calculate your estimated unused vacation and/or compensable sick leave payout. This is required to complete the 403(b) and/or 457 Plan deferral forms below.
- You will need to contact UPB for assistance in completing these forms:
  - 403(b) Plan Deferral - Complete a paper Salary Reduction and Redirection Agreement form. The Payout Designation section is at the top of page 2.
  - 457 Deferred Comp Plan Deferral - Complete a paper form Deferred Compensation Plan Lump Sum Deferral Form.
  - Submit your completed form(s) to UPB no later than 60 days before your last day of employment.
Payroll Calculation Deadlines

When do I get paid?

<table>
<thead>
<tr>
<th>Pay Event</th>
<th>Time Entry Cutoff - Noon Superusers - 5:00 p.m.</th>
<th>PARIS Current Pay Adjustments 10:00 a.m.</th>
<th>Pay Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bi-Weekly 23</td>
<td>November 2, 2021</td>
<td>November 3, 2021</td>
<td>November 10, 2021</td>
</tr>
<tr>
<td>Monthly 11</td>
<td>--</td>
<td>November 9, 2021</td>
<td>November 16, 2021</td>
</tr>
<tr>
<td>Bi-Weekly 24</td>
<td>November 16, 2021</td>
<td>November 17, 2021</td>
<td>November 24, 2021</td>
</tr>
<tr>
<td>Bi-Weekly 25</td>
<td>November 30, 2021</td>
<td>December 1, 2021</td>
<td>December 8, 2021</td>
</tr>
<tr>
<td>Monthly 12</td>
<td>--</td>
<td>December 8, 2021</td>
<td>December 16, 2021</td>
</tr>
<tr>
<td>Bi-Weekly 26</td>
<td>December 14, 2021</td>
<td>December 15, 2021</td>
<td>December 22, 2021</td>
</tr>
</tbody>
</table>

The University Payroll & Benefits calendar is available online at [http://www.obfs.uillinois.edu/payroll/schedules](http://www.obfs.uillinois.edu/payroll/schedules).

UPB Foreign National Tax Status Review Appointments

<table>
<thead>
<tr>
<th>Chicago</th>
<th>Urbana-Champaign</th>
<th>Springfield</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2, 7, 9, 15</td>
<td>December 1, 8, 14, 16</td>
<td>December 7, 14, 21</td>
</tr>
<tr>
<td>January 12, 20, 25</td>
<td>January 6, 11, 19, 27</td>
<td>January 4, 11, 18, 25</td>
</tr>
<tr>
<td>February 3, 8, 16, 24</td>
<td>February 1, 19, 15, 17, 23</td>
<td>February 1, 8, 15, 22</td>
</tr>
</tbody>
</table>

For updates or changes to the Foreign National Tax Status Review Appointments, please refer to the registration site at: [https://www.obfs.uillinois.edu/payments-foreign-nationals/tax-status-review-appointments/](https://www.obfs.uillinois.edu/payments-foreign-nationals/tax-status-review-appointments/)
University 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, 2021 through November 30, 2022.

• **For bi-weekly paid employees**, any change to University LTD Plan premiums will be effective with the December 8, 2021 paycheck.
• **For monthly paid employees**, any change to University LTD Plan premiums will be effective with the December 16, 2021, 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% of your monthly salary for qualifying disabilities. When also enrolled in the University plan, the benefit increases to 66.67% (50% SURS + 16.67% University). If there are no disability benefits under SURS, then the University plan benefit is 66.67% of your monthly salary for qualifying disabilities. The maximum monthly benefit with the University plan is $12,000.

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

**Verify Your State Benefit Elections and Payroll Deductions:**

• **Personal benefit information:** Verify your benefit elections and personal information at [https://MyBenefits.illinois.gov/](https://MyBenefits.illinois.gov/).
• Remember, your MyBenefits login and password are not your UIN, NetID, Enterprise ID, or other University logins and passwords. For help registering or logging in, see MyBenefits FAQs.
• **Payroll deductions:** Verify payroll deductions on your Earnings Statement

Please submit inquiries to Payroll & Benefits at:

• [https://www.obfs.uillinois.edu/payroll/customer-service/](https://www.obfs.uillinois.edu/payroll/customer-service/)
• Urbana: 217-265-6363
• Chicago: 312-996-7200
• Springfield: 217-206-7144
Calendar Year 2021 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, moving expenses, complimentary event tickets, car mileage (value of fuel for personal commuting use of an 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. Please refer to the link below for additional information and instruction related to taxable benefit reporting.

http://www.obfs.uillinois.edu/bfpp/section-4-payroll/submit-taxable-fringe-benefit-payments/

Out of State Salary / Wage Payments

If a University employee receives compensation paid in another state, and the University is registered as doing business in that state the compensation is considered paid outside of Illinois. The University is often required to withhold according to that states withholding regulations. Departments/ Employees should contact University Payroll & Benefits to discuss the necessary steps to ensure proper state withholding. Please refer to the link below for additional information and instruction related to state tax withholding.

http://www.obfs.uillinois.edu/payroll/tax-information/withholding-allowance/

Customer Service and Payroll Operations Metrics

Customer Satisfaction:
University Payroll & Benefits Customer Service tracks customer contacts through Service Desk Manager, TouchPoint Phone System and Microsoft Office emails. Below is the total number of cases resolved each month between July and September 2021.

Cases Resolved:

<table>
<thead>
<tr>
<th>Month</th>
<th>Cases Resolved</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>3454</td>
</tr>
<tr>
<td>August</td>
<td>3388</td>
</tr>
<tr>
<td>September</td>
<td>3556</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10398</td>
</tr>
</tbody>
</table>

Payroll Operations Metrics

During the third quarter of 2021, there were 46 Disposition 05 errors 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 2021 is:

<table>
<thead>
<tr>
<th>Month</th>
<th>Adjustment Pay Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>5331</td>
</tr>
<tr>
<td>August</td>
<td>4125</td>
</tr>
<tr>
<td>September</td>
<td>6905</td>
</tr>
<tr>
<td>TOTAL</td>
<td>16361</td>
</tr>
</tbody>
</table>