

University Payroll & Benefits Newsletter

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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, 2023**, must have a job that meets the criteria for benefit eligibility to be eligible for state insurance. 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 – this is 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 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 or by contacting [Foreign National Tax Status Review](#) UPB Customer Service.

Questions?

Contact University Payroll & Benefits Department:

All Universities: <https://www.obfs.uillinois.edu/payroll/customer-service/>

Urbana-Champaign:.....217-265-6363

Chicago:.....312-996-7200

Springfield:.....217-206-7144



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), State Deferred Comp 457 Plan or SURS Deferred Comp 457 Plan. 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 to [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** – 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.

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, 2022 through November 30, 2023.

For **bi-weekly paid employees**, any change to University LTD Plan premiums will be effective with the December 7, 2022 paycheck.

For **monthly paid employees**, any change to University LTD Plan premiums will be effective with the December 16, 2022, paycheck.

Benefit

The University LTD plan with Prudential is a supplement to the SURS Disability 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 at [Systems HR Services](#). Contact your campus UPB office with any questions.

Bi-Weekly Time Reporting Certification Statistics



59 individuals have successfully completed the Bi-Weekly Time Reporting Certification since its release at the end of May, and another 317 individuals are in the process of completing their certification.

This certification track consists of three self-paced, online courses that will be completed in the following order:

- Course 1: Bi-Weekly Time Reporting Overview
- Course 2: Best Practices for Bi-Weekly Time Reporting
- Course 3: Audit Issues and Common Errors in Bi-Weekly Time Reporting

Bi-Weekly Time Reporting Overview

This course provides a basic overview of bi-weekly time reporting processes. Topics covered include employee classes that use bi-weekly time reporting, the components and methods of time reporting, the roles and responsibilities involved, and the payroll schedule.

Successful completion of the course entails passing a post-course assessment with a minimum score of 80%.

Best Practices For Bi-Weekly Time Reporting

This course provides best practices for bi-weekly time reporting to help units avoid mistakes and effectively manage their time reporting processes. Topics covered include internal controls related to time reporting, recommended time reporting setup and structure, management of roles and responsibilities, and proper reporting and approval procedures.

Successful completion of the course entails passing a post-course assessment with a minimum score of 80%.

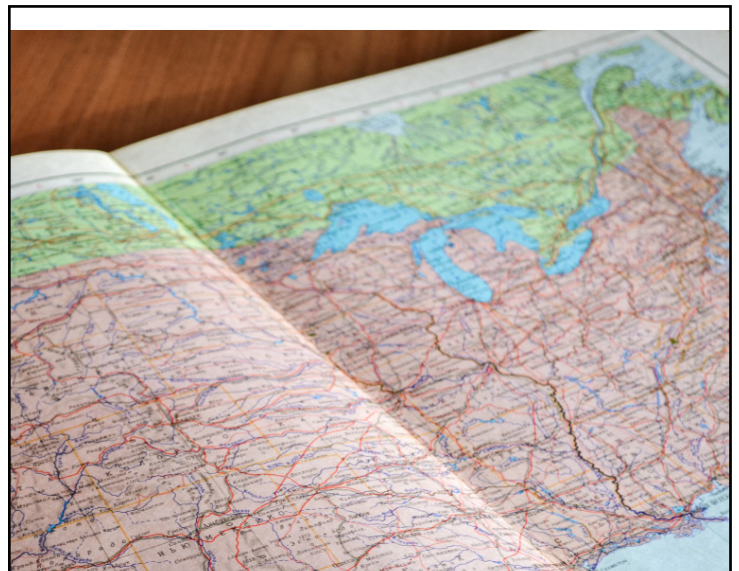
Audit Issues and Common Errors in Bi-Weekly Time Reporting

This course provides an overview of common audit issues and bi-weekly time reporting errors, their causes and ways units can maintain compliance and avoid or correct time reporting issues. Topics covered in the course include the consequences of non-compliance and fiscal mismanagement, how job record errors impact time reporting and payroll, the consequences of missing time reporting deadlines, and security-related errors that impact time reporting. Successful completion of the course entails passing a post-course assessment with a minimum score of 80%.

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.

Please refer to the link below for additional information and instruction related to state tax withholding: <https://www.obfs.uillinois.edu/payroll/tax-information/withholding-allowance/>.



Verify your State Benefit Elections and Payroll Deductions

It's time to verify your state benefit elections and payroll deductions. Start by doing the following:

- **Personal benefit information:** Verify your benefit elections and personal information at <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/>
- **Urbana:** 217-265-6363
- **Chicago:** 312-996-7200
- **Springfield:** 217-206-7144



How Tax Residency Status Affects Benefits Eligibility for J-1, J-2, F-1, F-2 Visas

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, 2023**, 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, 2022**.

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.

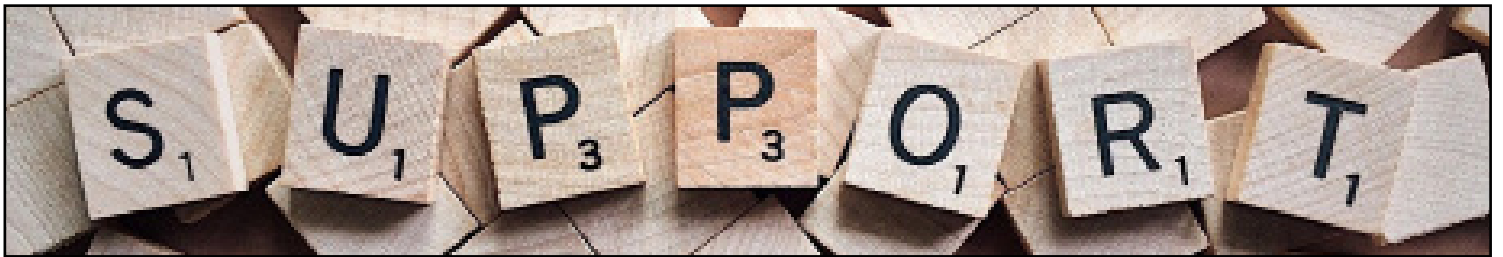
Calendar Year 2022 Taxable Benefits



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, union taxable vacation pay 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/>.



Customer Service and Payroll Operations Metrics

Customer Satisfaction:

Emails, calls and walk-ins made to University Payroll and 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 and Benefits Customer Service cases resolved each month between July and September 2022.

Cases Closed:

July:	3,069
August:	3,433
September:	3,413
TOTAL:	9,915

Payroll Operations Metrics

During the third quarter of 2022, there were 104 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 2022 is:

Adjustment Pay Transactions:

July:	4,665
August:	4,371
September:	7,532
TOTAL:	16,568

University Payroll & Benefits 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 to take note of.

Holiday Payroll Schedule

Veteran's Day Week

Adjustment Calculation

Veteran's Day falls on **Friday, 11/11/2022** which is also bank holiday.

- The deadline to process prior pay period adjustments that pay on **Thursday, 11/10/2022** will be **noon Friday, 11/4/2022**.
- Any prior pay adjustments approved **after noon Friday, 11/4/2022** and by **5:00 PM Friday, 11/11/2022** will be paid on **Friday, 11/18/2022**.

Thanksgiving Week

Adjustment Calculation

- Due to the Thanksgiving Holiday the deadline to process prior pay period adjustments that pay on **Friday, 11/25/2022** will be **noon Friday, 11/18/2022**.
- Any prior pay adjustments approved after **noon Friday, 11/18/2022** and by **5:00 PM Friday, 11/25/2022** will be paid on **Friday, 12/2/2022**.

Holiday Break

Adjustment Calculation

- The week before holiday break, the deadline to submit prior pay period adjustments will be **noon Thursday, 12/15/2022**. Adjustment pay date will be **Friday, 12/23/2022**.
- **This will be the last adjustment calc for Calendar Year 2022**. Please ensure that all prior pay period adjustments needing to be paid in 2022 are submitted by **noon Thursday, 12/15/2022** deadline.

2023 Bi-Weekly 1 Calculation

Feeder files are due by **5:00 p.m. Tuesday, 12/27/2022**. Department approvers have **until noon Tuesday, 12/27/2022** for timesheet approval. Superusers have **until 5:00 p.m. Tuesday, 12/27/2022** for timesheet approval. Current pay adjustments can be submitted through the Payroll Adjustment Request Interface System (PARIS) **until 10:00 a.m. on Wednesday, 12/28/2022**. All other calc deadlines pertaining to units will remain the same.

- **2023 Bi-Weekly 1 Pay Day is 1/4/2023**.
- **There will be NO adjustment calc the week of 12/26/2022**.

First Adjustment Calculation of 2023

The deadline to submit prior pay adjustments to pay **on Friday, 1/6/2023 will be noon Tuesday, 1/3/2023**. Therefore, all prior pay period adjustments submitted **after noon Thursday, 12/15/2022 and by noon Tuesday, 1/3/2023 will pay Friday, 1/6/2023**.

Payroll Calculation Deadlines

When do I get paid?

The University Payroll & Benefits calendar is available online at <http://www.obfs.uillinois.edu/payroll/schedules>.

Pay Event	Time Entry Cutoff - Noon Superusers - 5 p.m.	PARIS Current Pay Adjustments - 10 a.m.	Pay Date
Bi-Weekly 23	November 1, 2022	November 2, 2022	November 9, 2022
Monthly 11	N/A	November 9, 2022	November 16, 2022
Bi-Weekly 24	November 15, 2022	November 16, 2022	November 23, 2022
Bi-Weekly 25	November 29, 2022	November 30, 2022	December 7, 2022
Monthly 12	N/A	December 9, 2022	December 16, 2022
Bi-Weekly 26	December 13, 2022	December 14, 2022	December 21, 2022
Bi-Weekly 1	December 27, 2022	December 28, 2022	January 4, 2023
Monthly 1	N/A	January 6, 2023	January 13, 2023
Bi-Weekly 2	January 10, 2023	January 11, 2023	January 18, 2023
Bi-Weekly 3	January 24, 2023	January 25, 2023	February 1, 2023

Foreign National Tax Status Review Appointments

Chicago

December: 6, 8, 14
 January: 11, 17, 26, 31
 February: 1, 7, 16, 22

Urbana-Champaign

December: 1, 7, 13, 15
 January: 5, 10, 12, 18, 25
 February: 2, 8, 14, 21, 23, 28

Springfield

December: 6, 13, 20
 January: 10, 17, 24, 31
 February: 7, 14, 21, 28

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/>