



Wyoming Retirement System

DAVE FREUDENTHAL
Governor

THOMAS WILLIAMS
Executive Director

HARRY L. WALES
Deputy Director

January 5, 2010

Agency Name
Contact
Address
City, State Zip

Re: Reporting Employee Hours

Dear Contact:

Last year employers were notified that the Wyoming Retirement System (WRS) would require employees' actual hours worked to be reported on payroll contribution reports. This information is necessary to allow WRS to accurately calculate months of service credit for employees. The Wyoming Statutes require months of service credit to be based on actual hours worked. Pursuant to Wyo. Stat. § 9-3-409(b), the WRS Board has the authority to regulate the duties of participating employers and to require employers to furnish information in written or electronic format.

Please be advised that beginning with the March 2010 payroll contribution report, WRS will no longer accept payroll contribution reports that do not include actual hours worked by an employee. In the event an employer submits a payroll report without reporting the actual employee hours, the report will be returned to the employer to complete the hours field. Having these reports returned may adversely affect employees who are seeking to retire, or former employees who are seeking a refund, because we will not be able to process those requests without a properly completed payroll contribution report. Additionally, if an employer fails to correct this issue in a timely manner, interest may be charged on any late contributions pursuant to Wyo. Stat. § 9-3-413.

Attached please find *Reporting Hours for Payroll Contribution Reports* guidelines related to reporting employee hours. If you have any reporting questions or problems with your software please refer to the guidelines available on our Web site (<http://retirement.state.wy.us>). If you have additional questions or problems, please contact either Debbie Grimm at dgrimm@state.wy.us or Renee Winfrey at rwinfr@state.wy.us in the Active Employee Section. If you are not the proper recipient of this letter, please forward this letter directly to the appropriate person, or contact us with that information.

We appreciate your cooperation with this matter. We look forward to working with you and your agency in assuring that WRS receives accurate and timely employee payroll information.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Williams".

Thomas Williams
Executive Director

Wyoming Retirement System

Reporting Hours for Payroll Contribution Reports

January 5, 2010

WRS requires employers to report the actual hours worked by employees. Actual hours also include used sick, annual and compensatory time. Additionally, hours should only be reported in whole numbers, regardless of the method used for reporting (Excel, ASCII, or Hand-post). Partial hours should be rounded up to the next whole number.

There are several different types of employees. Please refer to the bullets below explaining how to report hours for the various types of employees. The default hours for a month if an employee works a standard 8 hour workday, 5 days per week is 174. 8 hours per day x 5 days per week = 40 hours per week. 40 hours per week x 52 weeks per year = 2,080 hours per year. 2,080 hours per year / 12 months = 173.33 hours per month (then round up to the next whole number).

- Hourly Employees: [Hourly employees are those employees who receive compensation based on an hourly rate of pay per hour worked.] For these employees, hours should be reported as the actual hours worked. (Rounded up to the next whole number)
- Salaried Non-Exempt Employees: [Salaried non-exempt employees are those employees who work on a salaried basis, but are eligible for overtime hours and wages.] These employees' hours should be reported as the actual hours worked (174 plus overtime hours, if applicable). For example, if you have a salaried, non-exempt employee who worked 10 hours of overtime in a month, then you would report 184 hours for that employee for the month. If you have an employee that works only part of the month, then you should report the actual hours worked.
- Salaried Exempt Employees: [Salaried exempt employees are those employees who do not receive overtime hours or wages.] For those employees, report 174. If you have an employee that works only part of the month, then you should report the actual hours worked.
- Contract Employees: [Contract employees are those employees whose employment is based on a specified contract of employment – usually teachers.] For contract employees, you should report the default hours for each month of the employee contract that the employee *actually worked*. If the employee is paid a salary, then that employee must be included in the monthly contribution report. If the employee was not paid a salary, therefore there were no contributions, then that employee should not be included in the report for that month. If an employee was paid a salary, but did not work during that month, then report 0 hours for that month.
 - Contract Employees Paid Less Than 12 Months Per Year: Example - If the contract is for 10 months (and the employee only works 10 months out of the year), then report 174 for the 10 months of the contract period. If the employee did not work and did not earn a salary during the remaining two months of the year (not included in the contract

period) then do not include the employee in the monthly report for those two months. Please do not include employees on the monthly report if they were not paid a salary and did not work any hours.

- Contract Employees Paid 12 Months Per Year: Example - If the contract is for 12 months (and the employee actually works 12 months of the year), then report 174 for each of the 12 months of the contract period. If the contract is for 12 months, but the employee actually works 9 months of the year, then report 174 for the months actually worked (report 174 for the 9 months), then report 0 hours worked for the remaining months of the employee's contract period. Again, if the employee was not paid a salary and did not work any hours, please do not include them on the monthly report.

Please call the Active Employee Section at (307) 777-6865 if you have any questions regarding how to report hours.

Any adjustments being reported must include the number of hours, the salary and the contributions that need to be adjusted. For example, if your agency has an employee who terminates in March and you erroneously continue payments for April and May, the agency must provide the hours credited to April and May along with the salary and contributions for those months on the adjustment form (Form WRS-11). The relevant hours worked and contributions made will be subtracted from the employee's service credits.

Adjustments must include the following:

- Pay period ending date
- Number of hours
- Salary
- Contributions (employee contribution and matching amount)

Employees beginning and ending employment in the middle of the month: For all employees, hourly and salaried, who begin or end employment in the middle of the month, the hours worked should be prorated and reported as the actual hours worked for the month.

Bi-weekly or Non-traditional payroll: Employers paying on a bi-weekly or non-traditional payroll need to report actual hours for that pay period.

Extra Pay: If an employee receives extra pay, it should be included on the same report as their regular pay. Please combine the regular pay and the extra pay into one line entry on the report. WRS cannot accept two separate reports and contributions in one month for the same employee.