



**MICHIGAN OFFICE OF
RETIREMENT SERVICES**
Big Plans. Small Steps.

Southwest Michigan Business Officials Annual Conference

Steve Cary
Bobby Hoppes
Josey McCloud
Angela Sanborn
Jennifer Smith

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Agenda

- Final Payroll Details.
- Contract reviews and supporting documents.
- Upcoming audits and audit findings.
- Questions and answers.

The role of ORS

- Administer pension benefits.
- Collect information and money to support these benefits.
- Calculate and fund accurate pensions.





The role of reporting units

- Report accurate wages and hours.
- Remit related retirement contributions by the due date.

Final Payroll Detail (FPD) Report



List of Retirement Applicants

[Michigan.Gov](#)[Logoff](#)[Employer Info Site](#)[Contact Us](#)[ORS Home](#)

Working with : PUBLIC SCHOOLS, 12345

List Of Retirement Applicants

If you wish to view a submitted final payroll detail application, enter the SSN of the applicant and click on the search button.

SSN:

The list(s) below indicate your employees (current and former) who have applied for retirement. Names are added to this list upon receipt of the application in our office. 45 days before the applicant's retirement effective date, the name will be linked to a detail page. Please click on any active links to enter the data needed for each applicant.

Regular Retirement

(Complete as soon as possible)

July 20XX

Applicant Name	SSN
Dustin Daniels	XXX-XX-XXXX
Ryan Stafford	XXX-XX-XXXX

August 20XX

Applicant Name	SSN
Pattv Hicks	XXX-XX-XXXX

November 20XX

Applicant Name	SSN
Adrian Flint	XXX-XX-XXXX

Initial Pension

(Complete after all wages are submitted)

July 20XX

Applicant Name	SSN
Carol Kane	XXX-XX-XXXX
Steve Monroe	XXX-XX-XXXX
Kay Williams	XXX-XX-XXXX

August 20XX

Applicant Name	SSN
Jacob Nicols	XXX-XX-XXXX

November 20XX

Applicant Name	SSN
Leannah Jones	XXX-XX-XXXX

Regular Retirement

Regular Retirement

(Complete as soon as possible)

July 20XX

Applicant Name	SSN
Dustin Daniels	XXX-XX-XXXX
Ryan Stafford	XXX-XX-XXXX

August 20XX

Applicant Name	SSN
Patty Hicks	XXX-XX-XXXX

November 20XX

Applicant Name	SSN
Adrian Flint	XXX-XX-XXXX

- Retiree will not receive the first pension check until FPD is complete.
- Complete as soon as the hyperlink goes live.

Regular Retirement column

- Eligibility needs to be proved.
- Court orders.
- Contract review.



Initial Pension

- Complete after all wages are posted.
- Estimated pension check in the month of effective date.
- Three to six months before final pension check.

Initial Pension

(Complete after all wages are submitted)

July 20XX

Applicant Name	SSN
Carol Kane	XXX-XX-XXXX
Steve Monroe	XXX-XX-XXXX
Kay Williams	XXX-XX-XXXX

August 20XX

Applicant Name	SSN
Jacob Nicols	XXX-XX-XXXX

November 20XX

Applicant Name	SSN
Leannah Jones	XXX-XX-XXXX



Initial Pension column

- In 2022, 91% of applicants receive their pension in the first month.
- Immediately eligible for retirement

Completing FPDs

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Initial Pension

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July 20XX

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Carol Kane	XXX-XX-XXXX
Steve Monroe	XXX-XX-XXXX
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August 20XX

Applicant Name	SSN
Jacob Nicols	XXX-XX-XXXX

November 20XX

Applicant Name	SSN
Leannah Jones	XXX-XX-XXXX

Complete FPDs in this order

1. Current month – *Regular Retirement*
2. Previous months (moving backwards) – *Regular Retirement*
3. Current month – *Initial Pension*
4. Previous months (moving backwards) – *Initial Pension*
5. Future months – *Regular Retirement*

Application Details

Final Payroll Details

Applicant Detail

Please complete all the blank entry areas and verify any fields already populated.

Note: By completing this form you are comparing this employee's contractual rate to what was actually reported to ORS.

Applicant Name: FirstName LastName

SSN: XXX-XX-XXXX

Retirement Date (MM/DD/YYYY): 05/01/2019

Termination Date:

Last Day Worked:

Last Day Paid:

Full Contract Rate/Hourly Rate
For Last Year Worked: check this box if hourly rate entered

If this is not the correct contract or hourly rate, enter the correct rate. For hourly rates, enter the rate most frequently used.



Pending Wages

Regular Retirement ONLY

- Enter wages you intend to pay the employee.
- No summer spread wages here.

Reportable Wages Above Base Rate

- Wages that aren't part of their normal wages.

Example:

- Teacher who coaches or has extra responsibilities.

Reportable Wages Above Base Rate

Instructions: Enter the amount of wages paid that is above the base pay rate for the most recent fiscal year.

Excess Amount:

\$

Excess Amount Comments:

(Please explain wages entered for excess amount.)

Unreportable Wages

Unreportable Wages

During the wage review period 07/01/2008 - 10/01/2012, were any of the following

Bonuses	\$ 0.00
Cash in lieu of benefit (insurance, annuity, etc.)	\$ 0.00
Employer-paid service credit	\$ 0.00
Expenses (e.g., mileage, dry cleaning, dues)	\$ 0.00
Incentive payments(early retirement, severance pay, etc.)	\$ 0.00
Insurance premiums	\$ 0.00
Super longevity	\$ 0.00
MIP reimbursements	\$ 0.00
FICA reimbursements	\$ 0.00
Payments to increase the FAC	\$ 0.00
Perfect attendance	\$ 0.00
Unused vacation, personal, sick or comp pay	\$ 0.00
Other fringe benefits	\$ 0.00
Long-term disability	\$ 0.00
Other	\$ 0.00

OR

This payroll office did not report any of the above unreportable wages during the

- Items reported to ORS but considered unreportable.

Carryover

- Biggest reason for overpayment of initial pensions.
- Risk of double dipping wages.

Carryover (Usually Summer Spread)

Instructions: For each period listed, enter the wages paid after June 30 for service performed before July 1.

Date	Amount
06/30/2012	\$ <input type="text" value="0.00"/>

Carryover amount(s) already reported to ORS:

Date	Amount
06/30/2011	\$ 10454.99

Calculating Hours

- Standard hours
- Average hours worked per day
- Count Days tool

Standard Hours Worked Per Fiscal Year (eg: 2080, 1020, etc.):

Average Hours Worked Per Day:

Number Of Days Worked Since July 1, 2012 or last fiscal year worked:

Note: If last fiscal year worked is not the year listed please enter the fiscal year used in comment box. Please do not use the Count Days button if employee did not work in the current fiscal year.

[Count Days](#)

Comments:

(You would be able to enter only 250 characters in this field)

Final Steps and Common Errors

- Certify
- Final Payroll Details summary page
- Common Errors

Final Payroll Details

Error Message

- This FPD is not balanced. The difference is 5501.34 which equals 15.84 days. Suggested areas to review are contract rate, excess amount, standard hours worked per fiscal year and carryover.
- Current Fiscal Year Posted Wages: 79646.81
- Wages Reported for Current FY from FPD: 17760.00
- Carryover Amount for Current FY: 0.00
- Excess Payment: 500
- Carryover Amount for Previous FY: 13623.76
- The Certified Reportable wages: 78783.02
- Wages based on contract: 73281.71

Reportable and Non-reportable Compensation



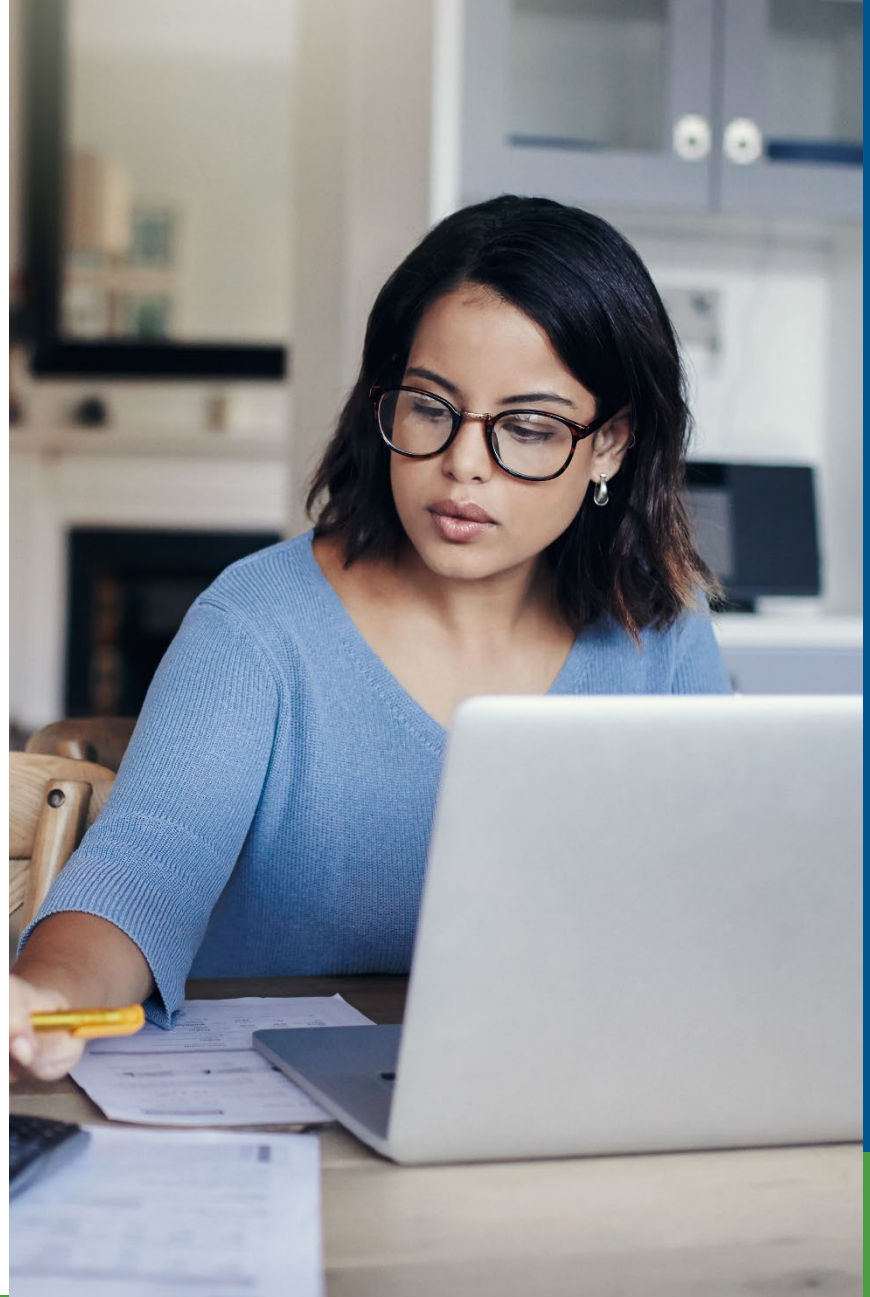
DTL2 - Reportable vs. Non-reportable Compensation

4.02: Reportable	4.03: Non-Reportable
Coaches Wages, Regular Wages, and Salary	Bonus payments
Education pay or increased academic certifications	Cash paid in lieu of benefit
Holiday, Sick Leave, Vacation Leave pay	Fringe benefits
Longevity Pay	Incentives (Attendance, Referral, Retirement)
Merit Pay	Payments to increase retirement benefits
Overtime Pay	Reimbursements and Allowances
Weekly Workers' Compensation	Unused leave payout (vacation leave and/or sick leave)

As defined by Public Act 300

Detail 2 - Reportable

- Education.
- Holiday, sick leave, vacation leave pay.
- Longevity.
- Merit pay.
- Overtime pay.





Detail 2 – Non-reportable

- Fringe benefit.
- Bonus payments.
- Incentives.
- Reimbursements and allowances.
- Unused leave payout.

Detail 4 - Reportable vs. Non-reportable Compensation

4.02: Reportable	4.03: Non-Reportable
Gross Earnings	Reimbursements
Life insurance over 50k	
Allowances	

Contract Review and Submitting Supporting Documents



Contract Review

- Wage Detail Sheets and request for contracts.
- Contracts for all years in the letter.
- No contracts – Salary schedule.
- Extra payments – require documentation.
- Final Payroll Detail (FPD) still required.





How to Submit Supporting Documents

- Email attachments.
 - FTS for sensitive information.
- Documents submission that ORS cannot access and will not accept:
 - End-to-end encryptions.
 - Documents on sites that require a login.

Upcoming audit schedule

Next few months:

- Professional Service Leave (PSL).
- Under age 19.

Ongoing:

Contract Review



Common payroll audit findings

- Detail 4 records –
 - required for everyone using All gross wages
 - under reporting.
- Retiree – under reporting.
- Census – last name and date of birth errors.
- Employment class codes – inaccurate reporting.
- COVID-19/Hazard Pay.
 - Payments made during March 2020 – June 2021.
 - Payments made after July 1, 2021.

Contacts

Office of Retirement Services

- Website - www.michigan.gov/ors
- Customer Service – 800-381-5111
- Employer Reporting – 800-381-5111
 - Email – ORS_Web_Reporting@michigan.gov
 - ORS-Contract-Review@michigan.gov
 - Website – www.michigan.gov/psru

Thank you

