

Wage and Contribution Reporting Frequently Asked Questions



My municipality only has MERS Defined Benefit — I understand that there are no changes to reporting. What is changing?

All current employer portal users will receive a new password — this includes employers who participate only in MERS Defined Benefit. A new landing page will display upon logging in and the employer must select **Defined Benefit Employer Reporting** on the left-hand navigation to proceed with wage reporting and/or adding new hires into their defined benefit plan. All other reporting functionality remains the same.

How will my access change for the Employer Portal on October 13?

Existing portal users will be sent a temporary password that must be used when accessing the system for the first time on/after October 13. The login you have been using to access the system will remain the same.

How do I get to the link to log in to the system?

From www.mersofmich.com, click on **Login** in the upper right corner to be directed to the login screen.

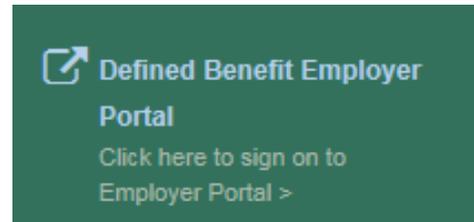
Who do I contact if I have forgotten my password?

The login screen will prompt you for questions to answer if you have lost or forgotten your password. From the main login page, click on that link and follow the steps accordingly. If you are locked out or unable to get through using those pages, please contact Alerus directly at 800.433.1685.

Where in the portal do I submit reports?

If you are reporting for MERS Defined Benefit, you will click on the link for **Defined Benefit Employer Portal**.

If you are reporting for any other plan (including MERS Defined Contribution, Defined Contribution portion of Hybrid, Health Care Savings Program, 457, or the Retiree Health Funding Vehicle), you will click the **Contribution Gateway** link found under **Manage My Contributions** and choose the applicable plan type to begin reporting.



How do I search for participants in my plan?

There are two methods available to find plan participants:

1. From the landing page, navigate to **Manage Site** and click on **Participant Search**. This will allow you to search by Participant ID (this is the participant's social security number or Participant Name) and click "**Go**." These results will return all participants across all plans (excluding Defined Benefit).
2. From the landing page, click on the applicable PlanID (this is your MERS assigned division number). Using the left-hand navigation, click on **Select Participant** under **Manage My Participants**. This will return all participants within the plan selected. To reset your search, click on the **Select Plan** link under **Manage Site** to reset your selection.

How do I edit my employees' information?

Employers can make changes to participant information using the **Edit** function. Following the steps for searching for participants and clicking on the **Edit** button next to the participant record. Adjustments are limited to: Address, City/State/Zip, Email Address, Date of Birth, Date of Hire, Rehire Date, Inactive Date, Medical Leave or Termination Date. Changes to the individual participant record regarding address or email will be made across all benefit plans including Defined Benefit. If making changes to an employment status — termination date, inactive date, etc. — each plan record must be updated individually.

Employers can also make these changes on an upload file by entering the corrected information in the appropriate columns and using that format for reporting.

Note: changes to participant information may take up to three business days to be reflected on the site. Participants can also make changes to their address and email using their myMERS account.

Which fields are required on the upload template?

Required fields on the report are: MERS PlanID (this is your division number), Social Security Number, First/Last Name, Address, City/State/Zip, Date of Birth, Date of Hire and Participant Status.

Remaining fields are included for reconciling your contribution and payment. Pay Period Gross Compensation should reflect the wages earned for the reporting period you are submitting. For example, if you report monthly, wages should be for that month. If you report bi-weekly, wages should be for that two-week period for which the individual is being paid. Wages are defined in MERS Defined Contribution as reportable W-2 wages, or, in some cases, defined as wages earned minus any deferred compensation plan such as a Section 125 plan.

What can I enter in the manual reporting?

Manual reporting assumes you are using the same roster of participants to report in future reports as you did for previously submitted ones. This function would be most conducive for employers who have infrequent changes to their participant census and/or who have a smaller number of participants to report as it will require manual entry of all of the contribution amounts. Using this function, employers can report by specific division for active participants, terminated participants, or both using the sort function. This reporting does require you to enter the contribution amounts per person and per source (Employer, Employee Pre Tax and Post Tax, etc.).

How do I notify MERS of my desire to use Forfeiture balance to offset the employer contribution I am making on my report?

To notify MERS of the use of a Forfeiture balance to pay for employer contributions, the employer will need to enter this breakdown in the Comments section for the Entry step in reporting. For example: Using Forfeiture in the amount of \$500 for this period.

How do I notify MERS of a loan payoff when making my final payment through reporting?

To notify MERS of a loan payoff, the employer will need to enter this breakdown in the Comments section for the Entry step in reporting. For example: Final loan payment for Jane Doe (SSN: XXXX) for this period.

What should I use for wages in the column labeled "Pay Period Gross Compensation"?

Wages are defined by the employer and may include overtime, shift differential, tax deferred plans, etc. Whatever the wage used to determine the employer and/or employee contribution is what should be entered for the period. Frequency of reporting would determine this period — this is adopted at the time the plan was adopted. For example, if the employer reports monthly, then compensation should reflect the wages earned within that month. If it bi-weekly, compensation for that two-week period, etc. Wages can only be included in reporting if the employer uses the Upload function.

How do I get wage information to MERS without doing an upload for reporting?

Employers have three ways to provide compensation information to MERS for their Defined Contribution, Health Care Savings Program or 457 Plan participants:

1. Include this information in the file upload spreadsheet every time you report.
2. From the participant edit function, enter Annual Salary for each individual — we recommend you use the last reported W2 wage salary.
3. From the Submit Files function, you can provide MERS with a spreadsheet of the annual salary information for each participant — preferably in an Excel format. At a minimum, please include: First/Last Name, Social Security Number and Annual Salary — we recommend you use the last reported W2 wage salary. If your municipality has multiple divisions for each product, you may do this one time with all participants. You do not need to upload a separate spreadsheet for each division — one time per division with all participants is sufficient. We will use the First/Last Name and Social Security Number to enter the annual wage information for the retirement readiness reports.

What is the column for “Hours” referring to? Is that needed?

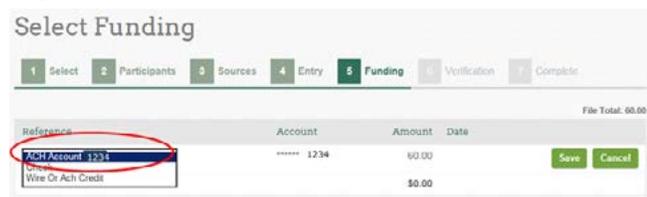
For MERS Defined Contribution, employers may adopt an hours-reported method for determining service earned. This column would be used to collect the hours reported from the employer for that period. Hours must be earned within the calendar year in order to receive one year of service toward vesting. If your plan uses the standard elapsed time method — which tracks employee status from date of hire to current date or date of termination, providing one year of service on the anniversary date of hire — this column is not needed. Some employers may have this information automatically populate from the payroll system they are using to report — unless hours reported has been adopted by employers, this field will be ignored — it will not cause an error in your reporting.

How does ACH Automatic Withdrawal work?

The ACH Automatic Withdrawal allows Alerus to pull the approved amount of funding from the bank account on file for your municipality. This is different than a wire or ACH transfer, which requires you to notify your financial institution to push the funds to Alerus for payment. The ACH automatic withdrawal is the most efficient way to get assets into the market and assists Alerus in the reconciling process. There is no charge from Alerus/MERS to set this up. You may want to inquire at your financial institution if they assess a fee to do so.

How do I set up ACH Automatic Withdrawal?

To set up *ACH Automatic Withdrawal*, Alerus requires a completed form and signature. This can be retrieved from MERS website or by clicking on the hyperlink in the previous sentence. The completed form can be uploaded through the **Submit Files** function from the **Plan Summary** page in the portal, or you can fax directly to Alerus. Once the ACH Automatic Withdrawal is set up, you will notice a new payment option in the funding step of reporting, including the last four digits of your assigned ACH withdrawal number, as shown in the diagram below:



Reference	Account	Amount	Date
ACH Account 4224	**** 1234	\$0.00	
Wire Or Ach Credit		\$0.00	

How do I transfer participants between divisions? (DB to DB, DC to DC, DB to DC, HCSP, 457)*

The transfer function for a participant transferring between Defined Benefit divisions has not changed. To transfer between Defined Contribution plans, employers will need to click on the **Transfer Participants** link from the Home landing page. Employers will need to update this MERS Plan Number on the corresponding Upload template before going through the Upload process to report and ensure the participants' division is correctly entered on the file being submitted. If using the Entry function for the next report, the participant record will reflect the new division. Employers should be sure to update any contribution amounts, if they are different between divisions. Alerus will move assets out of the old plan and into the new one when this transaction occurs. Participants will be notified of a change in their division, including assets moving from one plan to the next through their quarterly statement. The participant will receive a statement from their old plan reflecting a “transfer out” transaction, and a “transfer in” transaction on the statement for the new plan. This is the same process for transferring participants between divisions within the health care savings program and the MERS 457 plan.

*If you are transferring an employee from Defined Benefit to Defined Contribution, or from Defined Contribution to Defined Benefit, you will need to contact MERS to receive instructions on doing so.

What should I upload to MERS? Why would this be beneficial?

The Upload function allows employers to pull in reporting information more easily from a payroll system. While MERS has a specific file format, the fields included are generally already part of a payroll system's exportable data. Simply moving columns around to match the order the MERS template requires and then saving the report in a CSV (Comma Delimited) format will allow that same report to be uploaded. Employers with a large number of participants (i.e., more than 50) or who frequently make changes to a participant's wage and/or contribution amount would find this function most beneficial. The manual entry option requires employers to hand-key in the applicable amounts per person they are reporting for, which can be time consuming. The Upload function also allows the employer to notify MERS of new hires by simply adding the required information to the next report — no additional data entry is required to first enroll the participant.