

Wyoming Retirement System Rehired Retiree Fee Setup

An employer who hires a retired employee must pay a fee equal to the member and employer contributions of the rehired employee's salary. The fee is only applicable if the rehired employee is associated with an authorized position and the employer pays the rehired employee over \$1,000 in a month. The rehired retiree fee is due the same date as the regular retirement contributions. One check for the regular retirement contributions and the employer fee can be submitted, or separate checks can be sent.

The following describes how to set up the rehired retiree fee deduction within the School Accounting System, process the deduction, and then include the rehired retiree fee on the retirement report submitted to the Retirement Office.

1. In the Deduction File, setup a new deduction for the rehired retiree fee. See **Diagrams A and B.**

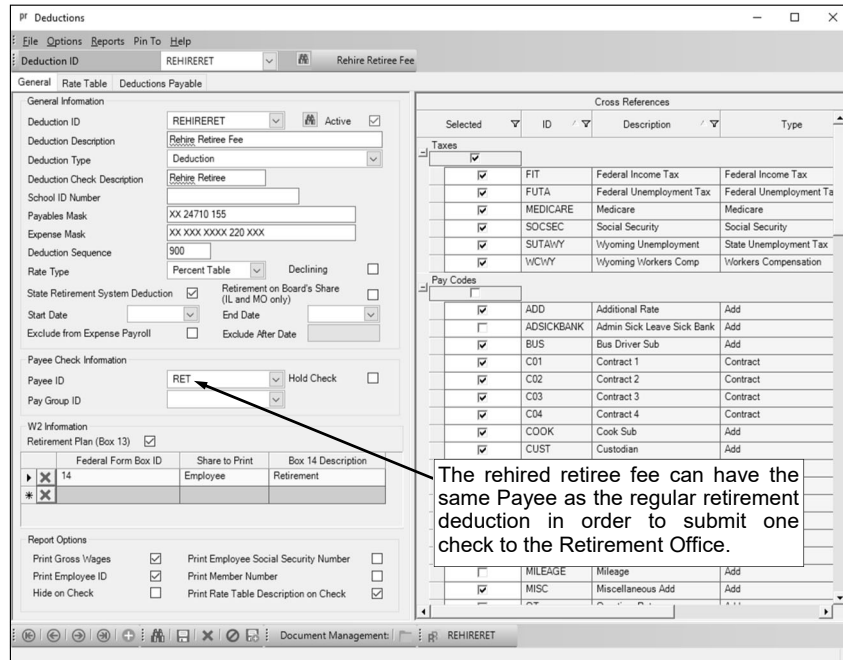


Diagram A

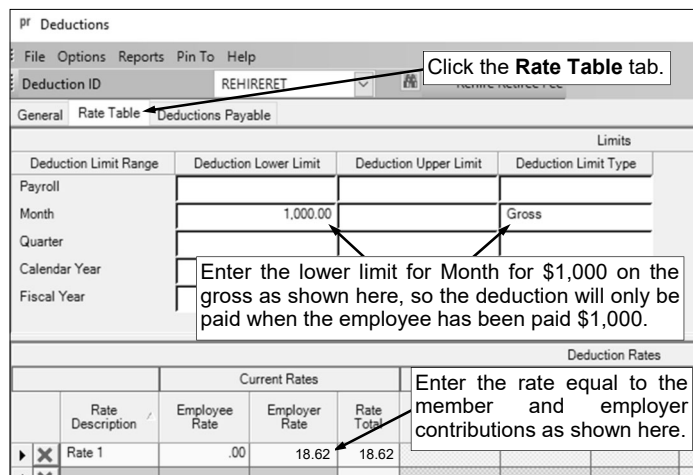
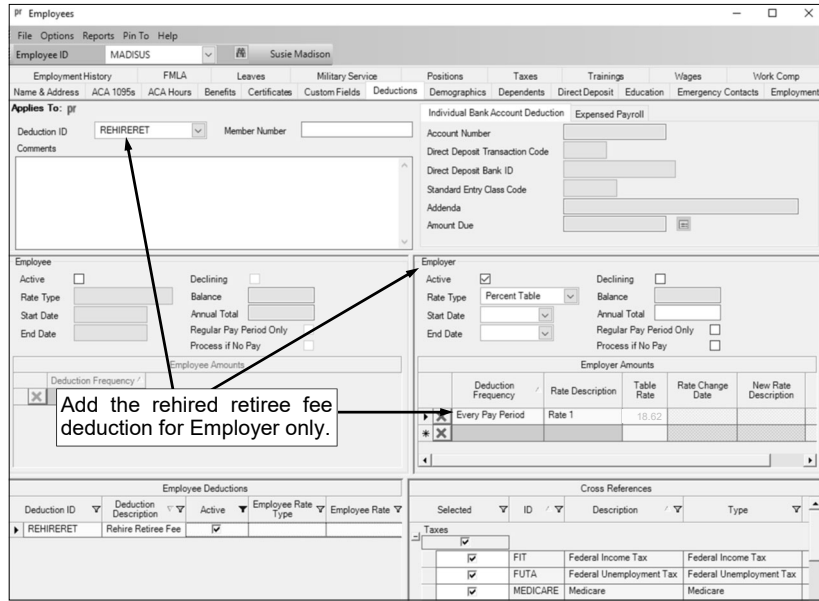


Diagram B

- On the Deductions screen of the Employee File, add the rehired retiree fee deduction to the employee for Employer contribution only. See **Diagram C**.

Diagram C



- When calculating a payroll, if the rehired retired employee has reached the \$1,000 lower limit, a payroll message will appear stating the lower limit for the month has been reached for the rehired retiree fee deduction. See **Diagram D**.
- For any rehired retired employee who reaches the \$1,000 limit, make a deduction/tax adjustment (Payroll screen, **Data Entry** menu, **Deduction/Tax Adjustments**) for the rehired retiree fee deduction by entering **\$186.20** (\$1,000 lower limit X 18.62% = \$186.20) in the Employer Share field and selecting **Increase Amount or Gross** as the action. See **Diagram E**. Then recalculate the payroll batch selecting to include the appropriate Deduction/Tax Adjustment batch.

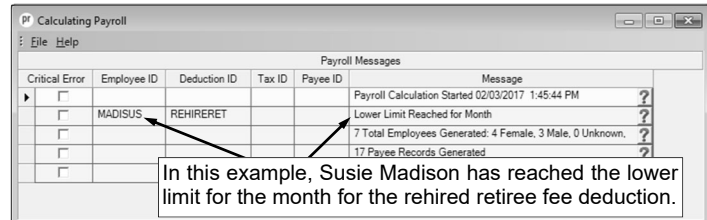


Diagram D

Note: If you run multiple payrolls in a month, you would only enter this deduction adjustment once per month for each applicable employee (included in the payroll batch when this message first appears).

- When generating the Wyoming Monthly Retirement Report, click the **Deductions** tab and select **Employer** in the Rehired Retiree column for the rehired retiree fee deduction. See **Diagram F**.

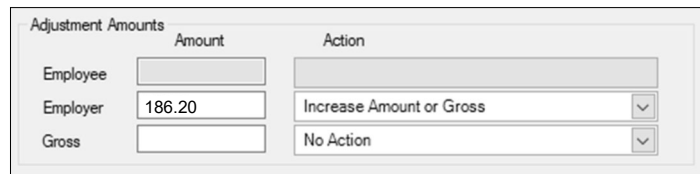


Diagram E

- The rehired retiree fee will be included under the appropriate column on the retirement report submitted to the Retirement Office.

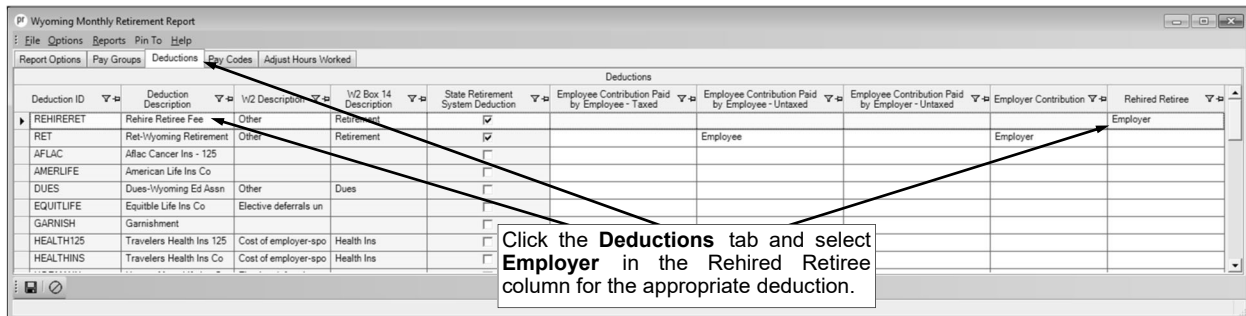


Diagram F