

TRUST **Advantage**

**What Payroll Coordinators
Need to Know**



What Payroll Coordinators Need to Know About *Trust Advantage*

***Trust Advantage* allows employees to pay premiums for WEA Trust auto, home, and umbrella liability policies and contribute to a WEAC IRA through payroll deduction. It's offered to district employees on a strictly voluntary basis. This document will explain how to process the deductions.**

Step 1 – Receive Payroll Deduction Authorization forms from participating employees, which authorize you to deduct insurance premiums and/or IRA contributions from paychecks. You just need to complete Section 3 of the form, and keep it for your records.

What is a Payroll Deduction Authorization (PDA)?

A Payroll Deduction Authorization (PDA) is a form that, when signed by an employee, authorizes you, as the employer, to deduct insurance premiums and/or IRA contributions from an employee's paycheck.

When will I receive the PDA, and whom will it come from?

After we hold enrollment meetings with your employees, we will give you the signed PDAs (see example on page 2) of those employees who plan to enroll in our programs. We will give them to you on the day of the enrollment meetings, or we will mail them to you soon thereafter.

If an employee enrolls in our programs **after** an on-site enrollment meeting(s), we will ask that the employee bring you the signed PDA or that the employee come to your office to complete one. We will give you a supply of PDAs to have on hand for these situations.

What do I do with the PDA?

When you receive the PDA, just complete Section 3., Employer Approval, which includes:

1. Your name as the employee representative
2. Your district/employer name
3. Your signature and date

Keep the PDA for your records. **There is no need to send a copy of the form to us.**

In sections 2 and 3 of these instructions, you will learn how to set up the payroll deductions and how to calculate the deductions.

Payroll Deduction Authorization

Important: Please complete this form and return it to your payroll office as soon as possible.

1. Employee Information

Last Name	First	M.I.	Social Security Number
Address		Evening Phone	Work Phone
City	State	ZIP	

2. Employee Authorization

I authorize my Employer to deduct insurance premiums and/or IRA contributions from my pay in the amounts necessary and to forward it to WEA Trust Member Benefits, subject to the terms and conditions stated in this Authorization.

I understand that if I make any changes to my policy(ies) that I must make them through WEA Trust Member Benefits and not through my employer. If I make any changes that affect the amount to be withheld, the Employer will adjust the payroll deduction amounts accordingly (WEA Trust Member Benefits does not adjust payroll deductions—only the Employer does). I understand that it is the Employer's obligation to deduct and transmit funds to WEA Trust Member Benefits on my behalf.

I understand that my participation in *Trust Advantage* requires the Employer to supply payroll and financial information to WEA Trust Member Benefits.

I understand that if my net pay is not sufficient to fully cover any deduction, I am responsible to make timely payment on my own. In the event I terminate employment with this Employer for any reason, cancel my policy(ies), or have an unpaid balance remaining on any policy at the end of its term, I understand that I am responsible for paying any premium that is due. This amount will either be billed to me separately and paid directly to the insurer or be paid through an additional payroll deduction. If full payment is not made timely, my insurance policy is subject to cancellation.

I understand that a delay in returning this Authorization to the Employer could delay payroll deductions, which may result in larger deductions than anticipated for insurance products or a delay in contributions to the IRA I have established.

This Authorization shall remain in effect until I notify WEA Trust Member Benefits of my desire to terminate this Authorization.

 Employee's Signature _____ Date _____

3. Employer Approval

The Employer will provide a monthly remittance report to the school's account.

Just complete this section of the form and then file it for your records.

Employer Rep. Name _____ District/Employer _____
Signature _____ Date _____

Step 2 – Receive notices from us for each product the employee enrolls in. The notice for the insurance products will be a bill, and the notice for the IRA contribution will be a confirmation letter. You’ll use these documents to set up the payroll deductions in your payroll system. Please see the examples on pages 4-5.

What are the notices for?

You’ll receive billing notices for new insurance policies, insurance policy changes, and insurance policy renewals. You will receive a confirmation letter for IRA contributions. You’ll use the information on the notices to set up the employee’s deductions in your payroll system.

When will I receive the notices, and what will they look like?

Insurance Policies

NEW POLICIES. Bills for new insurance policies will be sent to you shortly after the effective date of the policy. To identify a bill for a new policy, the transaction type on the bill will state, “New Policy”. See example on page 4.

CHANGES TO INSURANCE POLICIES. Bills for changes to insurance policies will be sent after the change is effective. To identify a bill for a change, the transaction type on the bill will state, “Amended Policy.” See example on page 4.

RENEWAL INSURANCE POLICIES. Bills for insurance renewal policies will be sent to you once a year at the effective date of the policy. To identify a renewal bill, the transaction type on the bill will state, “Renewal Policy.” See example on page 4.

IRAs

We will send you a confirmation letter for a new IRA as soon as we receive an IRA enrollment form from the employee. This letter will show the per paycheck amount that you should deduct. See example on page 6. Since IRAs don’t have an effective or expiration date, this deduction amount should be used until we let you know to discontinue or change the deduction.



P.O. Box 7893 Madison, WI 53707-7893
 Tel 608-276-4000 Toll-free 1-800-279-4010
 Fax 608-223-9700 Web weatrust.com
 Underwritten by WEA Property & Casualty Insurance Company

DATE : 10-12-04

School District's
Name and Address

Policyholder's Name and Address

*** YOUR PAYROLL DEPARTMENT HAS BEEN NOTIFIED ***

AUTO
Trust Advantage Summary

 This will specify if the bill is
for an auto or a home policy.

TRANSACTION TYPE:

RENEWAL POLICY
 PREMIUM

 This is the bill type.
This will state,
"New" for new
policies; "Renewal"
for policy renewals,
or "Amended" for
changes to policies.

POLICY NO.

POLICY TERM 10-12-04 TO 10-12-05

PREMIUM \$ 532.00

As a Trust Advantage participant, the amount due will be collected by your employer through payroll deduction. The payroll department will receive a copy of this notice, and they will adjust your future payroll deduction amounts accordingly. If you make additional changes to your policy that affect your payroll deduction, we will send you a new notice.

We appreciate your loyalty and participation in WEAC's personal insurance program. Please call us at 1-800-279-4010 if you have any questions about this statement or your policy, or if you have any suggestions for enhancing or improving your insurance program.



P.O. Box 7338 Madison, WI 53707-7338
 Tel 608-276-4000 Toll-free 1-800-279-4030
 Fax 608-661-6799 Web weatrust.com
 TSA program securities offered through WEA Investment Services, Inc., member NASD.

This shows the type of IRA.

Roth IRA Guaranteed Account
Confirmation: Trust Advantage Enrollment
Account ID:
Effective Date: September 13, 2004

Policyholder's Name and Address

Thank you for choosing to participate in the *Trust Advantage* program.

All contributions through the *Trust Advantage* program are attributable to the current tax year. You will receive quarterly statements showing your contributions, account balances, and other activity in your IRA account(s). We will also provide you with all required tax reports following the close of each tax year.

Thank you again for the trust and confidence you have placed in the WEA. For questions regarding your account, please call us at 1-800-279-4030.

"Enrollment" will appear for new contributions, and "Change" will appear for changes to contribution amounts.

TRUST ADVANTAGE ENROLLMENT INFORMATION

PER CHECK DEDUCTION AMOUNT

\$140.00

This shows per paycheck deduction amount.

MONTH OF FIRST DEDUCTION

September

This shows the month of the first deduction.

School District's Name and Address

What do I do with the notices once I receive them?

You'll use the information printed on the notices to set up the deductions or to adjust the deductions as explained in step 3. Below is a list of the information you'll use:

1. The employee's name and address.
2. The type of deduction – auto, home, umbrella, or type of IRA.
3. The annual amount due for an insurance policy, or the additional premium due or credit due for a change for an insurance policy. (This amount will be used to determine the per paycheck deduction in Step 3.) The IRA confirmation letter will list the exact amount to deduct per paycheck.
4. The effective and expiration date of the insurance policy. (This will be used to determine the per paycheck deduction.)

When I set up the deduction for the employee in our payroll system, what do I use as the descriptions for each deduction?

If possible, when you set up the deductions in your payroll system, please use the following codes and descriptions for each product:

IAU Auto insurance
IHO Home, renters, or condo insurance
IUM Umbrella insurance
TIG Traditional IRA
RIG Roth IRA

What happens if I receive a notice and I don't have a PDA?

You can either:

1. Call our office, and we will contact the employee to bring the PDA to you, or
2. You can ask the employee to come in to your office and complete a PDA. We will send you a supply to have on hand.

What happens if I receive a PDA, but I don't receive a notice?

Again, just call our office, and we will look into the situation and get back to you. The employee might turn in a PDA to you two weeks before the policy is actually effective. This is usually the case.

Step 3 – Determine the date of the first deduction, calculate the per paycheck deduction amount, and setup the deduction in your payroll system. You can use the worksheet we’ve provided to calculate the dates and amounts. See example on page 9.

How do I determine the date of the first deduction?

Insurance policies (auto, home, and umbrella). After you receive a bill from us, whether it’s a new policy, change, or renewal, you may begin or adjust payroll deductions at your next pay date.

IRA contributions. After you receive a confirmation letter from us, you may begin payroll deductions at the next pay date, unless a later start date is specified on the letter.

How do I determine the per paycheck deduction?

Insurance policies. For *new or renewal* policies, using the billing notice that you received, divide the annual amount due by the number of paychecks remaining until the expiration date of the policy. The result will be the per paycheck deduction. If the bill is for a renewal policy and a deduction still exists in your system, replace the current deduction with the amount calculated from the renewal billing notice.

Annual amount due	÷	#paychecks remaining until the policy’s expiration date	=	Deduction Per Paycheck
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For *changes* to policies, perform a similar calculation. Using the bill for the change to the policy, divide the amount of the change, whether negative (for a credit) or positive (for additional premium due), by the number of paychecks remaining until the expiration date of the policy. The result should be added or subtracted from the existing deduction.

Additional Premium Due or Credit for the Change	÷	#paychecks remaining until the policy’s expiration date	=	Adjustment (add or subtract) to the existing Per Paycheck Deduction
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IRA contributions. Simply use the per paycheck amount from the confirmation letter that we sent to you.

What do I do in our payroll system when an insurance policy expires?

If the per paycheck deduction is calculated as shown on page 7, the entire insurance premium should be deducted by the expiration date. Remove this deduction from your payroll system after the expiration date of the policy – or when the policy is paid. To help you keep track of when policies renew, we will e-mail or fax you a listing of policies renewing in approximately 30-60 days. So, during the first week of October, we'll let you know about policies renewing in November.

On the expiration date of the policy, we will send you a new billing notice for the next term, which will be labeled "Renewal." Use this billing notice to calculate the per paycheck deduction just like you did when you originally set up the policy on payroll deduction. However, keep in mind that there may be a paycheck in between the time that the previous deductions ended and the new policy term begins that may not have any deductions.

Why do you wait to send bills on the renewal date and not prior to the renewal date, so we don't miss a deduction?

Most changes to an insurance policy happen during the 30 days prior to the renewal date. Therefore, if we gave a renewal notice 30 days before the policy renews, you would likely encounter a lot of additional work by having to make multiple changes to the premium amounts prior to the renewal date.



Payroll Deduction Calculation Worksheet For Office Use Only

Completing this worksheet is optional and is merely a place where you can write and calculate the per paycheck deduction.

Employee Name: _____

✓	Participating Benefits	Policy Term		Total Annual Amount	Date of First Deduction (Must be after Policy Effective Date)	Number of Paychecks	Per Check Deduction	Added to Payroll System ✓
		Effective Date	Expiration Date					
___	Auto	___	___	\$ ___	___/___/___	___	\$ ___	___
___	Home	___	___	\$ ___	___/___/___	___	\$ ___	___
___	Umbrella	___	___	\$ ___	___/___/___	___	\$ ___	___
___		___	___	\$ ___	___/___/___	___	\$ ___	___
___		___	___	\$ ___	___/___/___	___	\$ ___	___
___	IRA	___	___	\$ ___	___/___/___	___	\$ ___	___

Other Notes/Reminders

Step 4 – Send us a remittance report at the end of the month via mail, fax, or e-mail. The report should list the payroll deductions that you made during the month, and it should be sorted by deduction type, and then by employee. We will automatically withdraw the total amount of payroll deductions listed on the remittance report from your school district’s checking account.

After I determine how much to deduct from each paycheck and I run a payroll that deducts the premiums/contributions from the employee’s paycheck, how do I relay that information to you?

You’ll just need to create a report in your payroll system, which we call the “monthly remittance,” and send it to us after you process the last payroll for the month.

What should the remittance report look like?

The report should be sorted by product (auto, home, umbrella, or IRA) and then by employee name. It should be subtotaled by product. Example:

Product Type	Employee Name	Pay Date	Amount of Deduction for the Month
Auto	John Smith	12/05/2002	\$50.00
		12/19/2002	\$50.00
	Mary Smith	12/05/2002	\$75.00
		12/19/2002	\$75.00
		Subtotal	\$125.00
Home	John Smith	12/05/2002	\$25.00
		12/19/2002	\$25.00
	Mary Smith	12/05/2002	\$35.00
		12/19/2002	\$35.00
		Subtotal	\$60.00
IRA	Mary Smith	12/19/2002	\$50.00
		Subtotal	\$50.00

If you’re unable to format the remittance report this way or you’re unsure how to do it, just give us a call.

If your district uses the Skyward payroll system (character version), when printing the remittance report in Skyward:

1. Type "PA" to start the payroll portion of Skyward.
2. Type "R" for the Payroll Report Menu.
3. Type "H" for the Detail Check History.
4. Type "SD" for the Report of Deductions.
5. A prompt will appear that asks, "Is above OK?" Answer, "N" to enter the report parameters.
6. Enter through the screen to the check date field and enter the first and last day of the month.
7. Answer "Y" for check detail.
8. Select "C" for sort sequence. It will report each deduction code separately.
9. Type "N" for "Show base gross?" Otherwise, the report will show everyone's pay information.
10. Type "Y" to put a page break between each individual code.
11. Type "Y" for "Is above ok?"
12. The next screen asks, "Is all of the above screen ok?" Type "N."
13. Leave employee types as "A" for all.
14. Type an "S" under benefit codes and select the deduction codes for auto, home, umbrella, and IRA.
15. The next screen asks, "Is above ok?" Type "Y."
16. The screen asks again, "Is all of the above screen ok?" Type "Y."
17. The next screen that appears is the printing parameters. Print the report and include the title page.

If you'd like to e-mail the monthly remittance from Skyward to us:

1. At step 17 above, when the screen says, "Is above ok?" Answer "N."
2. For the printer name, type "DISK."
3. When it asks to print a title page, answer "Y."
4. Enter through the page and the screen prompt will say, "Is above ok?" Type "Y."
5. The report will print to the screen. Type "E" to end.
6. When asked if you want to save it, type "Y," and save it.
7. It will then ask if all the info is correct. Type "Y," and then end out of the screen.
8. Send an email to Jessica Pape, and attach the file that you saved.

When should I send the remittance report to you?

You should submit the remittance report to us after you have processed the last payroll of the month.

How should I submit the remittance report and whom should I send it to?

You can fax, e-mail, or mail the remittance report to:

Jessica Pape, *Trust Advantage* Service Coordinator
WEA Member Benefit Trust
P.O. Box 7893
Madison, WI 53707-7893

Phone: 800-279-4010, extension 1101
direct line: 608-661-6784
Fax: 608-223-9700
E-mail: jpape@weatrust.com

How is the money that was withheld from the employee's paychecks sent to you?

You don't need to send us a check. We'll simply deduct the money from your school district's checking account (specified on the ACH Authorization) automatically after we receive your monthly remittance report. We assume that the funds will be available for withdrawal when we receive your remittance report.

How do I turn off the feature in the Skyward Payroll System that will automatically print a check to you?

First, go to PA/D (Description Update File), and inquire on the codes for the personal insurances/IRA contributions. Change the vendor to "**none". The deductions should still post to the accrual account, but it won't generate an entry in accounts payable to produce a check when the payroll is run.

If you're unable to change the code because of previous history, you may have to set up and use new codes with the vendor set to "**NONE". If this doesn't work, you may want to submit a customer service request to Skyward.

Miscellaneous

What do I do if an employee approaches me to make a change to his/her insurance policy or IRA contribution or to discontinue deductions?

Instruct the employee to contact us directly to make the change. We will then notify you of any changes that need to be made to the per paycheck amount.

What happens if an employee retires, quits, is terminated, on a leave of absence or disability?

Just give us a call and let us know the employee's name and last paycheck date. We'll work with the employee to collect any balances due.

What happens if an employee cancels his/her insurance policies or discontinues his/her IRA?

Employees should notify us directly, and we'll notify you to stop payroll deductions immediately. We'll also let you know any balance due that needs to be collected.

How does the process differ for employees who begin policies or IRA contributions in the summer months?

If an employee wishes to start a policy and/or open an IRA account with us during the summer months, he/she will work with us directly to pay for the premium and/or contribute to the IRA. When school begins in the fall, we will enroll them in the *Trust Advantage* payment option, and we will send you the PDA and bills at that time.

What happens if I calculate the per paycheck deduction amount incorrectly?

Once a month, we run a report that alerts us to policies where the per paycheck deduction amount was calculated incorrectly. If you can't adjust the deduction, we will bill the insured the difference when the policy expires.

Who do I contact if I have questions?

You can contact Jessica Pape at (800) 279-4010, extension 1101, or directly at 608-661-6784. If she's not available, please ask to speak with someone from the management staff.