



Contribution
Accounting
Lunch and Learn
Year End Process



Agenda

- ❖ **Payroll Submission Deadline**
- ❖ **Balance of Contract (BOC)**
- ❖ **Adjustments**
- ❖ **Fiscal Year Contribution Rate Changes**
- ❖ **Performance Pay (301\$) / Bonus Pay**

Activity - introduction

What Type of employer do you represent?

How long have you been reporting ASRS for your employer?

How often do you refer to the Employer Manual?

Pay Period End Date vs Pay Date

Payroll term review:

Pay Period End Date - (PPE):

- Is the last day of your pay period
- If you have a typical 2 week cycle this date would be the last day of that two-week cycle
- Pay period started on 7/1/2026 and ends on 7/14/2026. The Pay Period End Date is 7/14/2026
- Employers would submit the Contribution Summary Report also known as a CSR using the PPE date 7/14/2026

Pay Date:

- Is the date on the payroll checks

Payroll Submission Deadline

Submit **all FY 2026** payrolls by July 14, 2026 (PPE date from 07/01/2025 to 6/30/2026)

To ensure all members accounts are updated before year end close

To prevent late charges

To prevent any delays for the members that are retiring

Add a comment – to your CSR that “This is the final payroll for FY 2026”.

For Bi-weekly payroll examples



If the Payroll date is 6/19/2026 to 07/02/2026

(Pay period end date 07/02/2026) you submit the

payroll **with FY 2027** Rate. In this case

please do not split the payroll.

| June 2026 | | | | | | | < | > |
|-----------|----|----|----|----|----|----|---|---|
| S | M | T | W | T | F | S | | |
| 31 | 1 | 2 | 3 | 4 | 5 | 6 | | |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 | | |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 | | |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 | | |
| 28 | 29 | 30 | 1 | 2 | 3 | 4 | | |

Balance of Contract (BOC)

- Submit all FY 2026 BOC in the fiscal year the **service is performed**.
- Apply the fiscal year 2026 contribution rate when the service is performed
- Balance of contract Use Pay Period end date no later than **June 30** and is due by July 14, 2026
- If you are submitting the BOC in separate reporting, please add notes in CSR
- Submit the PDA for BOC members

Adjustments

All FY2026 makeup contributions need to be submitted with the **final payroll of FY2026 (PPE June 30)**

- These could be for a pay increase or PPE submission that was overlooked

Please verify credit adjustments taken on or before the end of the fiscal year with the Contribution Accounting Team

To prevent any delays for those members that are retiring please make sure that you are getting those adjustments to us in a timely manner.

Fiscal Year Contribution Rate Changes

- FY2026 Rates are 11.86% for Retirement and 0.14% for LTD
- FY2027 Rates are 11.87% for Retirement and 0.11% for LTD
- Apply new rates for pay periods ending on or **after July 1, 2026**
- Verify that your system has been updated

Performance Pay (301\$) / Bonus Pay

If employees are paid by July 14

- FY 2026 rates will apply with PPE date June 30 or prior

If employees are paid after July 14

- FY 2027 rates will apply with a current PPE date

If details are not available and you would like to make a prepayment to help avoid interest

- Prepayments are accepted up to July 14

Late Charges

- Late Charges are assessed on 301 monies if received after July 14

Activity

POLL QUESTIONS

Question 1

When submitting a pay period ending date of 7/7/2026, what fiscal year rates would apply?

A- use the FY2026 rate as it included some of the fiscal year 2026 payroll

B- split the pay period- use FY26 rates- prior or on June 30th, and FY27 rates – on or after July 1st

C- Use FY 2027 rates

D - you change the PPE date to whichever FY you feel like using

Question 2

If I receive a credit memo after June 30th, can we still apply the credit to the member's account and take the ER credit?

A. Yes, credits can be used once the CA team has verified the credit.

B. No, once the last payroll has processed you can no longer make adjustments

Question 3

Our balance of contract pays are 5 separate payrolls, each have the same amount. However, the last check does not get issued until July 26th. How should we report this?

- A. Send them all together on PPE of 6/30/2026 as a large batch, with pay type 01 regular pay.
- B. Send each one separately as a 6/30/2026 pay period, with pay type 05 balance of contract.
- C. Send in each one separately on the pay dates in which the employee receives their checks, that way the correct FY Rates will be in effect.

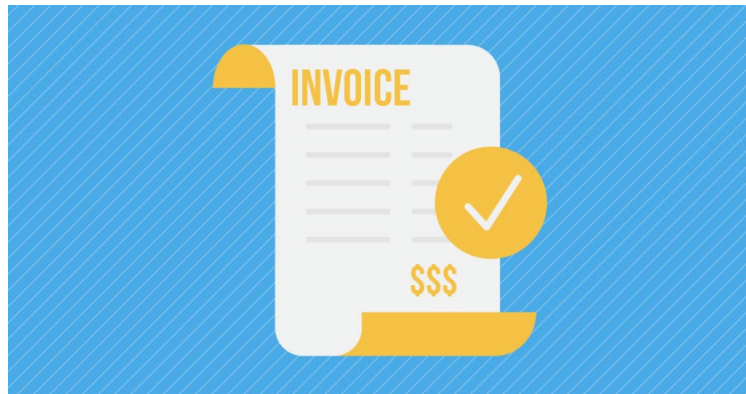
Question 4

This year is our first time participating in 301 Performance Based Pay. Our payroll/human resource department is unsure when they will have an estimate, or the pay documents ready for the 2025-2026 Pay that is due to the employee's. July 14th is tomorrow.

- A. Make-up a file and submit something to allocate the funds for those members before the fiscal year closes. So that we can apply the FY2026 rates.
- B. We didn't meet the cutoff, so we don't have to submit.
- C. Submit when ready in FY2027, with the rate of FY2027, with a current PPE date.

Questions

Late Charges



Late charges occur for any pay period that has not been paid 14 days after the Pay Period End date

Late charges are 7% of the total due for that reporting period per day.

ASRS will send you out a system generated invoice for any late charges that are assessed.

Late charges are mailed out monthly.

*if not paid by end of year – will continue to roll into new fiscal year with additional interest

How to pay late charges

Employer's have three options to pay for late charges:

1. Preferred method is to add the late charges to your contribution summary report in the Late Charge section under the Retirement Contributions – this will add the late charge to your payment due for the pay period you are submitting.
2. Add in a ACH payment on a previously submitted pay period. Select Make Payment in the Pay Period summary screen, under operation available
3. Send a Check to ASRS – information is on the invoice.

Option 1- Preferred Method

RETIREMENT CONTRIBUTIONS

| | Gross Salary | EE contributions PLAN 12.14% SYSTEM 7.0% | ER contributions PLAN 12.14% SYSTEM 7.11% | Total contributions |
|--------------|----------------------|--|---|---------------------|
| PLAN | <input type="text"/> | <input type="text"/> | <input type="text"/> | 0.00 |
| SYSTEM | <input type="text"/> | <input type="text"/> | <input type="text"/> | 0.00 |
| SUBTOTAL | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Adjustments | <input type="text"/> | <input type="text"/> | <input type="text"/> | 0.00 |
| Late Charges | | | <input type="text"/> | 0.00 |
| TOTAL | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Option 2

| | | | | | |
|------------|-----------------------|-----------------------|----------|--------|---|
| 12/04/2023 | Submitted \$614.50 | Deposited \$614.50 | Received | \$0.00 | Create CSR Make Payment Upload Contribution Detail File |
|------------|-----------------------|-----------------------|----------|--------|---|

Questions

End of Year Processes - Reminders

- ❖ 301\$ Late charge invoices for FY 2025 will be sent out shortly
- ❖ Please ensure all adjustments for FY 2026 are completed and submitted to the ASRS no later than July 14, 2026
- ❖ Balance of Contract reminder – Multiple PPE 6/30/2026 are acceptable and we ask that you verify that no FY 2026 reporting has been missed – including BOC reporting
- ❖ Service Purchase payments must accompany a Pay type 01 pay in your submissions and payments such as Performance or Bonus pays cannot have a Service Purchase deduction

Thank you for attending Contribution Accounting Lunch and Learn

IF YOU HAVE ANY ADDITIONAL QUESTIONS REGARDING ANY OF THE YEAR END PROCESSES. PLEASE CONTACT THE CONTRIBUTION ACCOUNTING TEAM THROUGH THE EMPLOYER SECURE MESSAGING PORTAL.