Contribution Confirmation and Payment Scheduling

To complete the contribution confirmation process, an employer must create a monthly snapshot in myVRS Navigator of the current population of employees enrolled in VRS-provided plans and other member benefits, such as group life insurance. Before confirming, the employer must review and reconcile the snapshot to ensure the most accurate data is reported. In addition to reconciling the data, the employer must submit payments for the defined benefit (DB) plans and other member benefits to VRS each month. For the Hybrid Retirement Plan defined contribution (DC) component, the employer must submit contribution details through [EZLink](#), the web-based system for MissionSquare Retirement. Contributions for the DC component of the Hybrid plan are remitted to MissionSquare with every payroll cycle.

Reporting Roles in myVRS Navigator

Role-based security is a feature that enables employers to manage access to myVRS Navigator and VRS data based on the work an individual performs. Roles define the data an individual can view, create and update. Employers authorize individuals to access VRS data and systems and assign the appropriate roles for each individual. The following roles are associated with contribution confirmation and payment scheduling:

Employer Roles Associated with Reporting		
Contribution Confirmation	Advance Person Account Processor	Informs VRS of Social Security number, contribution and coverage errors, submits mass updates for multiple people at the same time and manages enhanced benefits
	Employer Contributions Processor	Views and maintains contribution details
	Snapshot Processor 2	Generates, views and confirms the organization's monthly contribution report
Payment Scheduling	Payment Scheduler	Schedules the amount and date of payment of member and employer contributions
	Payments Scheduler Approver	Approves the amount and date of scheduled payments for member and employer contributions

For a complete list of roles, see the [Employer Roles and myVRS Navigator Security Access job aid](#) in the Commonwealth of Virginia Learning Center (COVLC).

Contribution Confirmation Process

Throughout the month, it is the employer's responsibility to enroll and maintain employee records. At the end of each month, the employer is required to complete the contribution confirmation process by generating and confirming a snapshot. A snapshot is a monthly picture of the employer's current population of employees and includes a summary of all the data from employee records. The generation of the snapshot calculates both creditable compensation (contribution basis) and service, as well as DB contributions (employee and employer) for all employees included in the snapshot. Confirmation of the snapshot posts this information to the employee's record.

Prior to confirming the snapshot, the employer should review and reconcile the amounts in myVRS Navigator to the information in the payroll system. Summary information is included for DB contributions, the VRS Group Life Insurance Program, the Virginia Sickness and Disability Program (VSDP), the Virginia Local Disability Program (VLDP) and the health insurance credit. DB contributions and member benefits must be paid to VRS once a month.

Employers should also review DC amounts and submit a contribution file in EZLink each pay period to remit contributions to MissionSquare.

Payroll Frequency

Snapshot confirmation is a monthly process that includes reconciling VRS records with DB payroll deductions withheld from the employee. DB contributions must be based on monthly creditable compensation, not the amount paid. Monthly creditable compensation is the annual salary amount divided by 12 or by the contract length. For details about creditable compensation, see the Enroll and Maintain Employees chapter of the Employer Manual or the Creditable Compensation Job Aid and Checklist on the VRS employer website.

Employers who pay employees on either a monthly or semi-monthly payroll cycle fall naturally into a monthly payroll cycle. For employers who pay employees bi-weekly, VRS recommends withholding DB contributions twice a month, even in months when employees receive three paychecks. For employers who pay employees weekly, VRS recommends withholding DB contributions four times a month, even in months when

employees receive five paychecks. This recommended pattern for withholding DB deductions applies to all VRS defined benefit plans, the DB component of the Hybrid Plan and Other Post-Employment Benefits (OPEB). See the table below for an illustration.

Pay Schedule	Weekly	Bi-weekly	Semi-monthly	Monthly
Number of yearly pay periods	52	26	24	12
Number of yearly pay periods without VRS deductions (DB)	4	2	0	0
Number of yearly pay periods with VRS deductions (DB)	48	24	24	12
% of employee's monthly DB creditable compensation and VRS deductions	25%	50%	50%	100%
Number of yearly Hybrid contributions to MissionSquare	52	26	24	12
Number of yearly payments to VRS	12	12	12	12

DC contributions should be withheld and remitted based on the creditable compensation earned each payroll cycle, regardless of the employer's DB withholding schedule.

> A Hybrid member's salary is $60,000 a year, paid bi-weekly (26 pay periods). The following chart illustrates their paycheck withholdings for a month in which there are 3 pay periods.

EXAMPLE

	Pay Period 1	Pay Period 2	Pay Period 3
DB	$100	$100	$0
Mandatory DC	$23.07	$23.07	$23.07
Voluntary DC	$92.30	$92.30	$92.30
Total	$215.37	$215.37	$115.37

Generating the Snapshot

When the employer creates a snapshot, myVRS Navigator calculates the DB contributions for each employee and includes any enrollment information and maintenance changes since the last confirmation. The snapshot includes a summary, as well as detailed information about the changes, to assist with review of the snapshot. The employer confirms one monthly reporting snapshot for each VRS-administered

retirement system (VRS, VaLORS, SPORS and JRS) and/or group of employees (VRS-N or VRS-T).

An employer can generate a new snapshot one day after the previous month's snapshot has been confirmed. Snapshots can be generated throughout the month and are not recorded in the employee records until confirmed.

Reviewing and Reconciling the Snapshot

Once the snapshot is generated in myVRS Navigator, the employer reviews the data in the Snapshot screen or the snapshot download file and compares it to their payroll system prior to confirmation and at any point during the month.

The snapshot will always display the monthly DB contribution amounts. By comparing the snapshot download file to the payroll system results early in the month, the employer can identify required payroll adjustments and take corrective action before the last payroll of the month is processed.

The Employment Summary tab of the snapshot is a summary of the changes the employer made to employee records since the last snapshot. The employer compares this information to their payroll records to make sure that all the changes were accurate and included in the snapshot. If there are discrepancies, the employer should find and correct the error(s) either in their payroll system or in myVRS Navigator. In addition, the employer certifies any separations that occurred since the last snapshot.

Once the changes are verified for accuracy in the Employment Summary tab, the employer reviews the remaining tabs in the Other Details panel to reconcile the snapshot totals to the total amounts in their payroll system. Details are included for DB Plan Contributions, Benefit Contributions, Service Purchase Contributions and adjustments to each of these. myVRS Navigator automatically calculates any necessary changes for retroactive adjustments and corrections. Both retroactive adjustments and corrections are changes to a data element that occurred in the past.

If there are differences in any of the contribution types, the employer can select options in the Other Details panel or use the snapshot download file to identify the individuals impacted. Once the individuals are identified, the employer ensures that

myVRS Navigator records are correct and makes necessary adjustments to the employee record. If myVRS Navigator records are correct and the employer's payroll records are incorrect, adjustments to payroll data will need to be made in subsequent payroll cycles; for example, additional contributions may need to be withheld or excess contributions refunded to the employee.

If corrections were made to employee records in myVRS Navigator, the snapshot must be regenerated. A new snapshot replaces the old one. Even if the snapshot is generated multiple times per month, nothing is submitted until the snapshot is confirmed.

Confirming the Snapshot

Once the snapshot is correct, it must be confirmed. The system runs validations to ensure the data shown in the monthly reporting snapshot is using the most current data for all employee records. If the data isn't current due to a recent change, the system provides an error message to regenerate the snapshot. Other errors, warnings and informational messages may appear. Errors must be addressed before confirming. For certain errors, reports will show on the employer's dashboard. All warnings must be either corrected or acknowledged. In acknowledging a warning, the employer is agreeing that the information is not included in the current snapshot and will not be included in any snapshot until corrected.

The snapshot can only be confirmed once and cannot be "unconfirmed." Should an error or retroactive activity be discovered after the snapshot is confirmed, the correct information should be updated in myVRS Navigator with the retroactive effective date. These adjustments will be included as part of the following month's contribution confirmation process.

In March, a member is granted a salary increase retroactive to January 1. The employer enters the new salary and effective date into myVRS Navigator. myVRS Navigator calculates the additional creditable compensation and DB contributions due for January and February. When the employer reviews the March snapshot, myVRS Navigator presents the revised calculations for January and February and includes the incremental contributions due with the total due for March.

Payments to VRS

DB contributions and other employee benefits (such as Basic Group life insurance) are submitted each month in a single payment to VRS. Employers should schedule the monthly payment in myVRS Navigator immediately after confirming the snapshot. Once the snapshot is confirmed, the payment scheduler role schedules the payment for the retirement plans, service purchase, health insurance credit, group life insurance, VSDP, VLDP and early retirement contributions.

Employers can also schedule an ad hoc payment for early retirement contributions. The payment schedule indicates both the amount to be paid and the payment date. The payments scheduler approver role may approve or reject the payment.

Employers are required to report employee activity for the month and submit payments to VRS by the 10th of the following month. If the 10th of the month falls on a weekend or holiday, payment is due the next business day. Late confirmations delay benefit processing and result in errors due to incorrect or incomplete information. Refunds, retirements, benefit estimates, Member Benefit Profiles, and processing of purchase of service applications are all affected by late reports.

The ACH debit payment schedule must be created and approved three business days prior to the payment due date to allow file exchanges between VRS and its financial institution. The payment will only be withdrawn from an employer's financial institution on the day approved by the employer.

If the employer is processing a payment schedule in myVRS Navigator after 5 p.m. on any day, the schedule will be picked up the next business day. For example, a schedule created on Friday after 5 p.m. will be picked up the following Monday.

Employers who do not confirm the snapshot or pay contributions or insurance premiums on time may be assessed a penalty of 5% of the amount due, plus interest at the rate of 1% per month until the report is received and the payment is made.[1]

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[1] See *Code of Virginia* § 51.1-146.

VRS is required to notify the chairs of the House Appropriations and Senate Finance commitees within 15 days after an employer becomes 60 days delinquent in making contribution payments to VRS.[2]

The Employer Monthly Statement in myVRS Navigator helps employers manage payments to VRS. The Employer Monthly Statement is automatically generated at the end of each month, offering a breakdown of an employer's current activity balance, ending balance and any balance forward. The statement details contributions for retirement plans and other member benefits. The statement also includes data for employer monthly activities such as the snapshot confirmation date and amount as well as payments made to VRS. Once the statement has been generated, the employer will receive a communication through myVRS Navigator that can be viewed under the Payments tab – Employer Monthly Statement.

Employers can also use the Employer Account Receivable information in myVRS Navigator to review and manage payments to VRS. Details regarding real-time balances and historical transaction activity can be accessed by selecting Employer Accounts Receivable on the Payments menu.

VRS Payment Options

VRS recommends ACH debit as the preferred method of payment due to the efficiency and security offered by electronic payments, but also accepts ACH credit. ACH debit and ACH credit are electronic transfers of funds through secure financial networks. The following chart outlines details for the available DB payment options:

Defined Benefit (VRS)
ACH Debit: Complete the Notification of Electronic Payment Information (VRS-61) and mail the original signed form to: Virginia Retirement System, Finance Control Department P.O. Box 361; Richmond, VA 23218
ACH Credit: Wells Fargo Bank, N.A. ABA #: 051400549 Account #: 2000050271162 Beneficiary: Virginia Retirement System The 5-digit VRS employer code must be included in the individual ID field in the supplemental payment record to ensure that VRS credits the proper organization with the payment.

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[2] See the 2024 Commonwealth of Virginia Appropriation Act, Item 489.

More Information on DB Contributions

- For step-by-step instructions regarding the snapshot and payments, see the Contribution Confirmation and Payment Scheduling course in the COVLC.
- For more information on the snapshot download, see the Interpreting the Snapshot Download File job aid in the COVLC.

Submitting Contributions to MissionSquare

Employers should complete a contribution submission file in EZLink or submit a batch contribution file each time payroll is run to ensure an employee's defined contributions are submitted and invested in a timely manner.

Employers are responsible for regularly reconciling amounts remitted to MissionSquare with amounts withheld in payroll. If a correction is required, the employer should complete the Request for Adjustment Review form, available in the Hybrid Resource Center for VRS Employers.

Payments to MissionSquare

Payments must be scheduled separately with MissionSquare each pay period. If contributions are delayed, the employee's investment earnings may be impacted and the employer may be assessed penalties in accordance with the Hybrid Retirement Plan Corrections Policy.

To submit contributions, an employer can either create an online contribution file or upload a contribution batch file in EZLink. Creating an online contribution file is typically used when there are fewer than 25 employee records to submit. Batch files are used for 25 or more employee records. Contributions should not be remitted before the contribution files are provided to MissionSquare.

MissionSquare Remittance Options

MissionSquare accepts ACH debit/credit and wire transfers. The following chart outlines details for the available remittance options:

Defined Contribution (MissionSquare)
ACH Debit: Complete the ACH Debit form, located in the Hybrid Resource Center for VRS Employers. Scan and securely upload a PDF copy of /the completed form through EZLink.

ACH Credit and Wire Transfer:
M & T Bank
ABA #: 022000046
Account #: 9859431885
Vantagepoint Transfer Agents – SPST

Hybrid 457 Plan:	Hybrid 401 Plan:
ACH Credit:	**ACH Credit:**
Ppt #: 307059/Employer's 5-digit VRS division ID	Ppt #: 108043/Employer's 5-digit VRS division ID
Wire Transfer:	**Wire Transfer:**
OBI: 307059/Employer's 5-digit VRS division ID	OBI: 108043/Employer's 5-digit VRS division ID

Using Forfeited Defined Contribution Funds

Employers can offset employer contributions for the DC component using funds in a forfeiture account. The forfeiture account may include employer contributions that have been removed from an employee's account as a result of a correction, as well as any non-vested DC funds.

Political subdivisions, school divisions and decentralized state agencies may use the balance in their forfeiture account to fund a portion of the employer contributions sent to MissionSquare. State agency forfeiture accounts are handled by the Department of Accounts. Employers may view the balance in their forfeiture account in EZLink.

Defined Contribution Plan Penalties

Employers are responsible for correcting employee records in a timely manner. VRS and MissionSquare monitor compliance and may assess administrative fees for an employer who has repeated corrections and adjustments or persistent noncompliance. Employers are also liable for any penalties, interest, compliance fees or other charges associated with the failure to follow state and federal laws.[3]

More Information on DC Submissions

- For details about corrections to DC submissions, see the Hybrid Retirement Plan Corrections Policy.
- For instructions on contribution files, submissions and reports, see the EZLink Training page.
- For additional help with DC submissions, contact MissionSquare's Employer Support Team at 877-327-5261, option 3; or visit the Hybrid Resource Center for VRS Employers.

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[3] See *Code of Virginia* 51.1-124.22(A)(14).

Reports in myVRS Navigator

A variety of reports are available in myVRS Navigator. The following reports may be useful when completing the contribution confirmation process. Reports are available in PDF and Excel formats and are located in the Report Repository unless otherwise noted. For details on how to download reports, see the Introduction to myVRS Navigator course in the COVLC. For a comprehensive list of reports, see the Employer Reports job aid.

Employment Changes for Monthly Snapshot

This report lists the person employment changes that occurred during the contribution month.
Roles: Employment Processor, Primary Administrative Authority, Security Administrator and Snapshot Processor 2

Enrollments for Monthly Snapshot

This report lists the person enrollments that occurred during the contribution month.
Roles: Employment Processor, Primary Administrative Authority, Security Administrator and Snapshot Processor 2

Off Contract Employees

This report lists the persons who are not in a system-administrated contract position and are off contract (i.e., are not within the period between a contract's contract start and end date) for this confirmation month based on their contract period and start date.
Roles: Employment Processor, Primary Administrative Authority, Security Administrator and Snapshot Processor 2

Separate Employees Before Confirming Snapshot

This document defines the report generated to the employer when one or more employees are being reported on a snapshot who either:

• Have a death date on or before the first business day of the previous month AND they do not have a separation date on or before the death date; or

• Have a retirement date on or before the first business day of the current month AND they do not have a separation date on or before the retirement date AND they are NOT a General Assembly member.

Roles: Employment Processor, Primary Administrative Authority, Security Administrator and Snapshot Processor 2

System Initiated Separation

This report is generated to the employer when there are current or retroactive system initiated separations that must be certified by the employer before confirming the snapshot.
Roles: Person Account Process, Security Administrator and Snapshot Processor 2