



April 2015 PERS Employer Monthly Update.

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1) Reconciliation ‘tip’ for April.

This is a good time to begin review of employee work histories to see who’s on pace to exceed 600 hours in calendar year 2015. Based on that information, you may wish to submit a Demographic Correction Request (DCR) to your ESC account representative to change a job segment Position Type from “non-qualifying” to “active service” so you can begin submitting DTL2-01 records for those who appear to be on pace to qualify in 2015.

Work hour information on these employees will be available through the Year-to-Date Wage and Contribution Summary screen once you’ve posted DTL2 records in calendar year 2015 for these individuals. Your ESC account representative is available to assist you with these determinations at any time.

2) Reminder: Reporting retirees returning to work as retirees.

Tier One/Tier Two retirees:

After retirement, Tier One/Tier Two retirees may return to work for a participating PERS employer(s) and continue to receive their retirement benefits as long as they do not work 1,040 hours or more in a calendar year. A Tier One/Tier Two retiree may work up to 1039.99 hours per calendar year and still be considered a retiree, but a Tier One/Tier Two retiree will re-establish active membership if they equal or exceed the 1040 hr. limit in any calendar year. The 1040 hour limitation for retirees returning to PERS employment is commonly referred to as the “1040 hour rule.” The 1040 hour rule does not apply to OPSRP retirees who may NOT return to work for a participating PERS employer(s) in a qualifying position (whether based on hire intent or by virtue of working 600 hours or more in a calendar year) and continue to receive retirement benefits.

In addition, Tier One/Tier Two retirees hired into certain positions (listed in ORS 238.082(4)-(8); Sections 2 and 3, chapter 499, Oregon Laws 2007; and Sections 3 and 4,

chapter 774, Oregon Laws 2007) may work unlimited hours post-retirement for a participating PERS employer and continue to receive retirement benefits. In order to qualify for these statutory exemptions, the retiree must satisfy all the requirements for the exemption. A common requirement to qualify for these statutory exemptions is that the Tier One/Tier Two member does not receive a reduced service retirement allowance as set forth in ORS 238.280(1), (2) and (3). PLEASE NOTE: None of the positions listed in ORS 238.082(4)-(8); Sections 2 and 3, chapter 499, Oregon Laws 2007; and Sections 3 and 4, chapter 774, Oregon Laws 2007 are open to OPSRP retirees.

Age/Service time requirements for Tier One/Tier Two retirement with an unreduced service benefit (“normal” benefit recipient):

Classification	Age		PERS Service Time
	Tier One	Tier Two	
General Service	58	60	Any age with 30 years of service
Police and Fire	55	55	Age 50 with 25 years of service

Age/Service time requirements for Tier One/Tier Two retirement with a reduced service benefit (“early” retiree):

Classification	Age		PERS Service Time
	Tier One	Tier Two	
General Service	55 - 57	55 - 59	Less than 30 years of service
Police and Fire*	50 - 54	50 - 54	Less than 25 years of service

***If you are an inactive police officer or firefighter (P & F) Tier One or Tier Two member who attains the age of 50, you may retire with a reduced benefit as long as your last covered position was a qualifying P & F position.**

Tier One/Tier Two “early” Retirees may qualify for a limited number of exempt positions listed in ORS 238.082(4) and Section 3, chapter 774, Oregon Laws 2007:

This exception applies to a Tier One/Tier Two “early” retiree* who is employed:	Effective Date of the Exception:	Date the exception expires:
As an administrator or teacher by a school district or educational service district that has its administrative office located in a county of 35,000 or less population. This exception was amended in 2007. The amended exception is in two parts: 1) As an administrator or teacher by a school district or community college district located in a county of 35,000 or less population; or 2) As an administrator or teacher by an education service district and the retired member’s primary work duties are performed in a county of 35,000 or less population. (Limited application: see (*))	1-1-04 – 7/15/07 7/16/07 7/16/07	N/A
By a school district or education service district as a speech-language pathologist or speech-language pathologist assistant.	7-16-07	1-2-16

(Limited application: see (*)).		
Is on state active duty with the National Guard and has reached “normal” retirement age. (ORS 399.075(8)) (available to early retiree only if the retiree has reached normal retirement age).	6-11-03	N/A
By the Legislative Assembly or the Oregon State Police for service during a legislative session. (ORS 238.092(2)).	7-16-07	N/A

(*) An “early” retirement benefit is actuarially reduced because the member starts receiving benefits before normal retirement age. Unless the member has 30 years’ service credit, Chapter 238 Tier One general service members retiring between ages 55 and 57 and Chapter 238 Tier Two general service members retiring between ages 55 and 59 are considered “early” retirees. Chapter 238 Tier One/Tier Two Police & Fire members retiring between ages 50 and 54 without 25 years’ service credit are considered “early” retirees. **Only a limited number of 1040 exceptions are available to “early” retirees, and an “early” retiree must wait six full months after retirement before he/she can be employed in a position under any 1040 exception that is available to early retirees. An “early” retiree who does not wait 6 full calendar months after PERS retirement before being hired into one of these DOES NOT QUALIFY for the exemption and is subject to the 1040 hour/calendar year work limit.**

The positions available to “early” Tier One/Tier Two retirees and listed here can also be found:
 1) In the “Working After Retirement: 1040-Hour Exceptions in Table Format” document available through the PERS employer web page.
 (Positions open to Tier One/Tier Two “early” retirees are noted in the “Early Ret.” column.)

The exemption from the 1040 hour/calendar year limit APPLIES TO THE POSITION listed in ORS 238.082, NOT to the retiree holding the position.

Example 1: A Tier One/Tier Two “normal” benefit recipient, hired by an employer into an exempt position, may work unlimited hours WHILE IN THAT EXEMPT POSITION. If the retiree leaves that exempt position and goes to work as a retiree for another PERS employer in a position NOT listed in ORS 238.082 or OAR 459-017-0060, the retiree becomes subject to the 1040 hour/calendar year work limit while working in that non-exempt position.

Example 2: If the retiree works concurrently in an exempt position and a non-exempt position, the hours worked in the non-exempt position will be subject to the 1040hour/calendar year work limit.

Tier One/Tier Two retirees who have reached federal Social Security full retirement age (65-67, depending on the retiree’s birth date) may work unlimited hours with PERS employers beginning the first of the month after the month in which Social Security full retirement age is reached. This exception does not apply to OPSRP retirees.

OPSRP retirees:

Hiring an OPSRP retiree into a position with “qualifying” hire intent CANCELS the individual’s retirement and re-establishes active membership effective at the hire date. Hiring an OSRP retiree into a position with “non-qualifying” hire intent allows only 599.99 hours of work (total for ALL PERS employers) per calendar year and ALL service time in any calendar year, including pre-retirement service and post-retirement service in “non-qualifying” positions, contributes to that 599.99 limit. Consequently, an OPSRP retiree would be strongly advised to “sit out” the remainder of their retirement year and return to work in “non-qualifying” positions no earlier than the calendar year following their retirement year. PLEASE NOTE: None of the positions listed in ORS 238.082(4)-(8); Sections 2 and 3, chapter 499, Oregon Laws 2007; and Sections 3 and 4, chapter 774, Oregon Laws 2007 are open to OPSRP retirees.

You may hire an OPSRP retiree into a non-qualifying position immediately after retirement and submit the DTL1-11 record at that time. In most cases that DTL1-11 record and any DTL2-07 records will suspend until EDX has been updated to reflect the OPSRP member’s transition from active to retired status. **If the DTL1 and DTL2 records suspend upon submission, you do not need to “re-Save” those records for 90 days or until you have: 1) Verified with the retiree that they have received their first benefit check, or 2) Checked with your ESC Account Representative that the individual is in retired status.**

Also, NEVER submit a DTL1-15 record to re-hire an OPSRP member as a retiree unless your ESC Account Representative asks you to do so.

3) Spring 2015 Employer Outreach registration is now available.

Registration for the Spring 2015 Employer Outreach presentation series is now available. The Spring 2015 series will begin Friday, April 3 with a presentation in the PERS Tigard headquarters Boardroom and conclude with a presentation at Oregon Institute of Technology (OIT) in Klamath Falls on Friday, May 22.

Topics in this presentation series include:

- A short review of the most common EDX reporting errors for 2014. Our congratulations to employers for keeping the error rate extremely low, but there are significant wages and hours associated with the errors we’ll review.
- A review of DTL1 status codes and DTL2 wage codes and their use.
- Comments on subject and non-subject salary, the definition of those salary types and when they’re reported.
- A review of eligibility rules.
- The result of a recent review of OPSRP retiree work hour limits.

Registration for Spring 2015 Outreach presentations will be done only online. Presentation sites, dates and times can be found through this link:

https://www.oregon.gov/pers/EMP/Pages/section/er_presentations/index.aspx

or by starting at the PERS employer web page, www.oregon.gov/pers/emp/pages/index.aspx

then clicking these links: [Employer Training and Education Opportunities](#) > [Outreach Presentation Schedule and Registration](#)

4) FAQ: OPSRP Retiree Return to Work Restrictions.

An FAQ (Frequently Asked Questions) outlining OPSRP retiree work hour restrictions was recently posted on the PERS employer web page. The FAQ covers the results of a recent review of work hours contributing to the annual work limit for OPSRP retirees working in “non-qualifying” positions.

The FAQ can be found at this link:

https://www.oregon.gov/pers/EMP/Pages/section/er_faqs/revised_opsrp_retiree_return_to_work_restrictions.aspx

or by starting at the PES employer web page then clicking this link: [Frequently Asked Questions \(FAQs\)](#). Please direct any questions on this topic to your ESC Account Team representative.

5) EDX online availability and scheduled downtimes for April 2015.

Employers have stated they wish to receive information from PERS by e-mail, but we’ve recently had comments about the e-mail volume generated by PERS. In an effort to reduce the PERS e-mail volume, **scheduled EDX online down time deviating from the normal 9:00 pm Monday-Friday schedule for the current month will be listed in the EDX employer home page “Messages from PERS” area and included in the Employer Monthly Update for the current month.** Here’s EDX online scheduled downtime deviating from the 9:00 pm Monday-Friday normal availability for April 2015:

6:00 pm, Friday, April 3

Unavailable all day Saturday, April 4.

6:00 pm, Monday, April 13.

6:00 pm, Tuesday, April 28.

Beginning April 2015, no EDX downtime e-mail will be sent to employers unless there are changes or additions to the monthly downtime schedule.

Your comments on this approach would be welcome. Please direct those comments to: pers-employer.info.services@state.or.us

6) Employer Announcement 91: OPSRP membership and Account Contributions.

This announcement resolves a misunderstanding concerning account contributions for OPSRP members due for the first pay date after OPSRP membership is established. The announcement presents the statutory basis for OPSRP contributions due for that specific pay date and requires employers to begin reporting contributions as outlined in the announcement effective July 1, 2015.

Please direct questions about OPSRP contribution reporting requirements to your ESC Account Team representative.

Best regards,

In compliance with the Americans with Disabilities Act, PERS will provide this document in an alternate format upon request. To request this, contact PERS at 888-320-7377 or TTY 503-603-7766.