

Employer Reporting Quarterly

June 2009

A Newsletter from the Public School and the Public Education Employee Retirement Systems



PSRS/PEERS is Pleased to Present the Second Annual Employer Conference ...

Destination: Employer Island

Join us for a full day of workshops and presentations designed to help you learn more about our Retirement Systems, Retirement System reporting, and how to help when you are faced with questions from staff about PSRS/PEERS.

2009 PSRS/PEERS Employer Conference

October 21, 2009

Truman Hotel (formerly The Ramada Inn)

1510 Jefferson St.

Jefferson City, MO 65101

To learn more, or register to attend, visit www.psr-peers.org. Deadline to register is September 21. Don't miss this opportunity, register today!



Final Payment

Termination Information Required for ALL Terminating Employees

If a member is not returning to your district for the 2009-2010 school year, please enter the last date of actual service (not the date of the last paycheck) in the Termination Date field in EMERS, and mark the check box indicating the final payment to the member has been made. This information is required for all individuals retiring, withdrawing funds, or simply terminating employment with your district. We cannot process a member's request to withdraw funds or retire until this information is received from the employer. Please contact your DSR for more information.



2009-2010 Contribution Rates

Member and employer matching contribution rates are increasing for any payroll reported for the 2009-2010 school year. PSRS member and employer matching rates are increasing to 13.50% of compensation, and PEERS member and employer matching rates are increasing to 6.50% of compensation. This increase also applies to the employer contributions due for full-time "Critical Shortage" retirees employed by the district. Please contact your DSR with any questions.

“Termination” Defined for New Retirees

An employee cannot collect retirement until he or she has terminated employment. The regulation states that an employee is not considered to have terminated employment for the purposes of collecting retirement if the employee is employed in a position covered by the Retirement System within sixty (60) days after the effective date of retirement, or has executed a contract to be employed in a position covered by the Retirement System prior to the receipt of the first retirement payment.

This regulation does not apply to persons employed as a temporary substitute because that is not considered a position covered by the Retirement System. Retirees who are simply finishing a summer school term that extends past the employee’s effective retirement date may not be affected by this regulation either, if the hours worked do not qualify for PSRS/PEERS membership. This requirement does apply to retirees hired under the “Critical Shortage” statute!

Please contact your DSR for more information, or more information is available on the Employer Home Page of our Web site.

Working After Retirement – Your Responsibility as an Employer

When employing a retiree of either PSRS or PEERS, it is imperative that each employer track the work performed by each retiree to determine if/when the retiree exceeds the 550-hour post-retirement employment limit. PSRS retirees are also subject to a 50% earnings limit.

The retiree is responsible for notifying our office when either of these limits is exceeded. The employer also has a responsibility to determine how the retiree is employed, to monitor the retiree’s progress towards the limit(s), and to notify our office if/when one of the limits is exceeded. In a situation where verification of hours worked is required, we rely solely on the employer for this information. Additionally, please remember that **all** payroll data should be reported to PSRS/PEERS, including information on individuals who are not currently members.



“Ticket to the Future” Update

As of April, 2009 PSRS/PEERS is no longer planning to implement PensionGold PE software. While this may be a slight detour in the road for PSRS/PEERS – our office maintains a commitment to replace our current legacy system with a new, state of the art, pension administration system.

Currently, PSRS/PEERS is exploring our options. As soon as our new path has been determined, our employers and payroll software providers will be notified. In the meantime, we will update our Web site, <http://www.psr-peers.org/Employers/ProjectUpdate.html>, with information as it becomes available.

Please note that it is still important to notify your DSR if you change payroll software providers. This information is very beneficial, and necessary, as we move forward.

If you have any questions, please contact Tasha Owens, Project Team Leader, by email at towens@psrsmo.org, or by telephone at (800) 392-6848 ext. 1069.

Update Your DSR Information

Please take a few moments to check your DSR in EMERS. With the recent retirements here at PSRS, and new DSRs, it would really help us internally if you could make sure that your DSR is current in EMERS.

To check (and change, if necessary):

- a. From the main EMERS wizard, select 6. System Functions, then click <Next>;
- b. Choose 1. Select School District, then click <Next>;
- c. Select your school district from the list, then click <Next>;
- d. Click on the General tab and change your Support name to your District Service Representative;
- e. Click <OK> and highlight your district, then click <Select> again.

Form SSA-1945 Due For All New PSRS Members

Please remember that, as of January 1, 2005, the federal Social Security Administration requires that the member sign the *SSA-1945, Statement Concerning Your Employment in a Job Not Covered by Social Security*, and that you provide a *copy* of each form to PSRS. Please go to www.socialsecurity.gov/form1945/ for more information.

Is That Educator Certificate “Expired” Or Just “Inactive?”

Please remember that any educator certificate (other than Provisional and Temporary Authorization) that shows an expiration date on or after August 28, 2003 is “inactive” instead of expired. However, you should contact DESE Educator Certification ((573) 751-0051) and be sure to ask them if the status of the certificate is “inactive” or expired.” If the status of the certificate is truly “inactive” and not “expired”, then we still consider that individual to be certificated for purposes of determining PSRS eligibility.

Employer-Paid Insurance Premiums – What to Include for Retirement

When reporting employer-paid insurance premiums to the Retirement System as a part of compensation, please remember to only include employer-paid medical, dental and vision insurance premiums for member coverage. Other employer-paid premiums, such as family coverage, disability insurance, etc. are not included in retirement compensation, and should not be included in the insurance amount reported to our offices.

Additionally, any employer contribution to a member’s Health Savings Account should be included in the insurance amount reported to our office, and, as such, is subject to retirement contributions.

Remember, any employer payment to an annuity is not included in retirement compensation, unless the payment is made in lieu of employer-paid medical, dental or vision insurance premiums for member coverage, and that amount cannot exceed the amount of board paid insurance for the district.

2008-2009 School Year Quickly Coming to a Close

Once again, we are coming to the end of the school year, and we wanted to provide you with a few reminders about our year-end reporting requirements. You can always find more information on our Web site, including step-by-step instructions, and answers to our most frequently asked questions.

New EMERS Rates File for 2009-2010

As contribution rates will be changing for the upcoming 2009-2010 school year, it will be necessary to update the rate file contained within the EMERS program. Upon completion of your first payroll transmission **after June 15, 2009**, you should receive the following pop-up message:

“Safe to Update Now?”

You Have Received an Updated RATES.TPS File From Plan Administration!

Would you like to install it now?

In Order to Install This File, ALL Other Users and EMERS Processing Must be Stopped”

Please choose “Yes.” You will receive a message stating the update is complete and the old file is now in the Archive Directory. **NOTE:** Choosing “Yes” **will not** overwrite the current contribution rates for the 2008-2009 school year. If you choose “No,” the update will be delayed and can be processed as part of the next transmission session. You must install the updated rate file before you begin using EMERS for payrolls associated with the 2009-2010 school year. If you experience problems installing the new rate file, please contact your DSR.

Reporting Deadlines

All 2008-2009 EMERS transmissions should be sent, and all contributions due remitted, by June 30, 2009. This includes those payrolls for July and August that are for the year ended June 30, 2009. These payrolls should all be reported with Payroll End Dates of June 30, 2009. It is vital that we have this information as soon as possible to pay all the new retirees for July in a timely manner. During any other month in the school year, we will have 40 to 60 new retirees between the two systems. In July, we typically have more than 2,500 *new* retirees, so you can see why timely information is very important.

It would also be a good idea, each time you log onto EMERS, to check to see if you have any files listed as Pending (Work, Ready, In Use, Sent). If you are not sure why those files are still showing pending, please contact your DSR to help you research the information contained in these files.

Annual Base Salaries Required

Please remember that all members for whom retirement compensation and contributions have been reported for the 2008-2009 school year must have an Annual Base Salary reported. Annual Base Salaries are not a part of the payroll import in EMERS, but are reported through a Member Work File. You cannot send in your “Final District Payroll” without reporting all required annual base amounts. EMERS should prompt you to complete this work file if needed information is outstanding, or you can contact your DSR for assistance.

Member Record Forms

Please make sure that any outstanding *Member Record* forms for both PSRS and PEERS are submitted by the time you submit your final payroll for the school year. This will aid in our Annual Update process. Member Record Forms are due in our office within 15 days of the member beginning retirement system covered employment.

Member Record Forms to be Sent

We will send each school district a small supply of new Member Record Forms for your use in reporting new members of PSRS and PEERS. This mailing usually takes place during the first or second week of July each year. You can contact your DSR if/when you need more forms.

Final Payroll Information

When reporting your absolute final 2008-2009 payroll, please remember to mark that payroll as the “Final District Payroll.” Most of you can set this indicator in your payroll program when creating your Import File, but EMERS will also prompt you to indicate the status of the payroll when you import. If you are a district reporting DESE Career Ladder earnings, please also review the next section. Remember to correct any “paid-ahead” insurance premiums for a terminating member in the same school year as those premiums were originally reported.

DESE Career Ladder Reporting Reminders

If your district participates in the DESE Career Ladder program, and you make your final Career Ladder payment **after** you complete your normal payrolls for the 2008-2009 school year, you will need to mark your Career Ladder payroll as the “Final District Payroll” in addition to marking your final normal payroll as the “Final District Payroll.” Please do not make any 2009-2010 transmissions until all 2008-2009 transmissions, including Career Ladder, are completed. See “Changing the EMERS Default Fiscal Year to 2009-2010” below.

Contributions on all Career Ladder compensation *earned* during the 2008-2009 school year are subject to the 2008-2009 contribution rate (13.00%), even if you are paying after July 1, or from your new budget year. Your DSR can assist you in making sure that the proper school year is used.

Changing the EMERS Default Fiscal Year to 2009-2010

After you have completed all transmissions for the 2008-2009 school year, including Career Ladder, you will need to change the default fiscal year in EMERS to 2009-2010. The fiscal year can be changed as follows:

- a) From the Main EMERS Wizard, select 6. System Functions, then click Next;
- b) Choose 1. Select School District, then click Next;
- c) Select your school district from the list, then click Change;
- d) Click on the Payroll tab at the top of the window and change the default year to 2010;
- e) Click OK and select your school district, then click Select again.

Remember, before you can change the fiscal year in EMERS, you must have all required information for the previous school year sent to our offices. Once the fiscal year has been changed, please do not change it back to 2008-2009! If you have corrections for 2008-2009 after you change the fiscal year, please contact your DSR to assist you.

Other Items

Summer Employment

If your district employs an individual for the summer, and that individual is an active member of PSRS or PEERS, please remember that contributions to the appropriate retirement system are required. Summer employment should be reported in the same fiscal year for which the payroll is budgeted. Summer employment reported for 2009-2010 is subject to the new, increased contribution rates.

If a new July 2009 retiree works in June, and is paid in a 2009-2010 payroll in July, your DSR should send you a 2009-2010 Certification of Contributions form requesting the compensation and contribution information for that year. This will enable our office to use this compensation in calculating the retiree's final benefit payment, and help us avoid benefit adjustments after a member retires. Contributions reported for 2009-2010 are subject to the new contribution rates.

Please contact your DSR for more information.

DSR Contact Information

Please remember that the toll-free numbers we have provided to you to contact your DSR should not be given to members. Those numbers are only for use by district reporting personnel. Please refer all members to our general member toll-free number: (800) 392-6848. Our Information Center Representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. to assist our members.

EMERS Reports At Your Fingertips

Your EMERS program contains a report function that allows you to produce a variety of reports, either by member, payroll, or school year. You can contact your DSR for assistance running these reports.

District Service Representatives:

Employer Reporting Quarterly is published periodically throughout the year. Send comments and questions to:

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