Subject: PERS: October 2013 Employer monthly update.

Dear PERS employer:

In this update:
1) Reminder: Reporting retirees returning to work part-time as retirees.
2) 2013 Annual Reconciliation Phase 1 begins October 1, 2013.
3) Employer EDX training dates for remaining 2013 and first half 2014 now available.
4) PERS Employer web site survey.
5) Employer Announcement #82: Volunteers and PERS membership.
6) Use of invalid Social Security numbers.
7) Fall 2013 Employer Outreach registration now available.

1) Reminder: Reporting retirees returning to work part-time as retirees.

After retirement, only Tier One/Tier Two retirees may return to work for a participating PERS employer and continue to receive retirement benefits as long as the period or periods of employment with one or more participating PERS employers do not total 1,040 hours or more in a calendar year, or if the position is listed in ORS 238.082 or OAR 459-017-0060 as exempt from the calendar year work limit of 1,040 hours.

Tier One/Tier Two members who receive a benefit unreduced for early retirement (termed a "normal" benefit) may occupy any of the positions listed in ORS 238.082 or OAR 459-017-0060.

Tier One/Tier Two general service members who retire with less than 30 years cumulative service and between ages 55-57 as a Tier One member, 55-59 as a Tier Two member, or as Tier One/Tier Two Police & Fire members between ages 50-54 with less than 25 years cumulative service, are considered "early" retirees, with a benefit reduced for early retirement.

Tier One/Tier Two "early" retirees can access only a limited number of the positions listed in ORS 238.082 or OAR 459-017-0060, and must wait 6 full calendar months after retirement before returning to one of those limited number of positions. **An "early" retiree <u>who does not wait 6 full calendar months after PERS retirement</u> before being hired into one of the limited number of positions listed in ORS 238.082 as open to early retirees <u>will LOSE the exemption and be subject to the 1040 hour/calendar year work limit.</u>**

Those positions listed in ORS 283.082 and OAR 459-017-0060 and available to "early" Tier One/Tier Two retirees can be found:
In the "Working After Retirement: 1040-Hour Exceptions in Table Format" document available through the "General Information" link of 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 <u>APPLIES TO THE POSITION</u> listed in ORS 238.082 or OAR 459-017-0060, <u>NOT to the retiree holding the position</u>. 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.

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 OSPRP retiree into a position with "non-qualifying" hire intent allows only 599 hours of work (total for ALL PERS employers) per calendar year. **<u>Hiring an OPSRP retiree before they have received their first benefit check will cancel the benefit calculation process, and the individual will not receive a benefit check.</u>**

Please check with your ESC Account Team representative before submitting records to re-hire an OPSRP retiree to work as a retiree.

2) 2013 Annual Reconciliation Phase 1 begins October 1, 2013.

Phase 1 of the 2013 Annual Reconciliation begins October 1, 2013 and ends December 31, 2013. During this first phase employers are asked to focus on clearing suspended records and reports for calendar year 2013.

Phase 1 would be an ideal timeframe for education employers to review their substitute teaching staff to identify those who are likely to reach 600 hours total service for 2013. Remember that 600 hours total service in any calendar year will change "non-qualifying" position types to "qualifying" for members who established membership in calendar 2013 or a prior year. Contact your ESC Account Team about changing the position type from "non-qualifying" to "active service" for employees on pace reach 600 hours this year, or changing position type from "active service" to "non-qualifying" for employees not projected to reach 600 hours total service in 2013. Your ESC Account Team members can answer questions about an employee's service with other employers which cannot be answered by the Year-to-Date Wage and Contribution Summary or the Eligibility reports.

3) Employer EDX training dates for remaining 2013 and first half 2014 now available.

Employer EDX training is offered the 2nd Friday of each month, 8:30-12:30, concurrently through the Internet and at the PERS Headquarters computer lab. Training dates for the remainder of 2013 and the 1st half of 2014 are now available through the PERS employer web page.

To register for training on the date of your choice, begin at the PERS employer web page.

4) PERS Employer website survey.

PERS is contemplating re-design of the PERS employer web page and we would like your input about features you would like to see added or possibly eliminated.

The survey is available on the PERS employer web page. The survey will remain available through Friday,

October 18, 2013.

5) Employer Announcement #82: Volunteers and PERS membership.

A number of questions have recently emerged concerning volunteers, the conditions which would move volunteers to the status of employees for PERS reporting purposes, and further transition an employee to PERS membership. These questions are addressed in Employer Announcement #82: Volunteers and PERS membership, now available on the Employer website.

6) Use of invalid Social Security numbers.

Employers sometimes use invalid SSN's as placeholders for a non-resident employee until that employee can get a legitimate SSN. In a case where employers are using a known invalid SSN to report wage records for an employee for 2 or 3 months, we ask those employers do the following:

1. **Notify their ESC representative that they are using an invalid SSN as a temporary placeholder. This step is necessary to prevent re-use of an existing SSN or placeholder account and CREATION OF MULTIPLE ACCOUNTS FOR A SINGLE MEMBER.**

2**. Limit these fictional SSN's to one of the following:**
    a. Any nine digit number that has 9 as the first digit.
    b. Any nine digit number that begins with 666 or 000. This must be the first three digits.
    c. Any nine digit number that has 00 as the 4th and 5th digits. This must the both digits.

    d. Any nine digit number that has 0000 as the 6th through 9th digits. The last four digits must be zero.
3. **Most importantly, limit the use of "fictional" SSN's period. Use e-verify to ensure the SSN belong to the employee they are reporting**.

We suggest "fictional" SSNs be combinations of numbers that the social security administration does not issue, such as: 900-00-0000, 900-00-0001, 900-00-0002, etc. Employers should be contacting ESC when temporarily using an invalid SSN as a placeholder while their employee is obtaining a true SSN and can find out what number is available so their record does not suspend.

7) Fall 2013 Employer Outreach registration now available.

Registration for the Fall 2013 Employer Outreach presentation series is now available. This fall, we'll review information reported on EDX records, including when to report member Leave Without Pay (LWOP), and complete the second of our semi-annual reviews of eligibility rules and reporting retirees returning to work part-time as retirees.

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.