Employer Spring Workshop

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2015

PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

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PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

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Introduction

- Welcome to the annual Employer Spring Workshop. This year our primary focus will be on reporting leaves of absence.

Agenda

- **General Information Review**
  - Security Profiles
  - Employer Contacts
  - Member Demographic Files
- **Contract Records Submissions**
  - Leave Codes
  - Start and End Dates
- **Salary – Leave of Absence Reporting**
  - Paid Salary vs. Unpaid Salary
  - Contributing Leave vs. Non-Contributing Leave
- **Common Reporting Issues**
  - Balance of Contract – Terminated Employees
  - Balance of Contract vs. Work in the Summer
  - Work History Adjustments

General Information

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SECURITY PROFILES

EMPLOYER CONTACTS

MEMBER DEMOGRAPHIC FILES

General Information

- Security Profiles
  - Verify and Update security profiles
    - Two Security Administrators
    - Users – position responsibility
- Employer Contacts
  - Verify and Update Information
- Member Demographic Files
  - Abbreviation of Street Names
  - Format
  - Changes Only

Contract Records

LEAVE CODES

End in "C" (Contributing)

End in "N" (Non-Contributing)

END DATING THE LEAVE

Returning to Work

Terminating

Contract Records
Leave Codes

- Leave Codes
  - Codes ending in "C"
  - Codes ending in "N"

- Determining the correct Work Status to be reported:
  - Approved Leave?
  - Send associated member contributions during the leave or after the return from the leave?
  - Is the employer willing or required to pay associated contributions?
  - How do you report Full Contract Salary and Service?

Contract Records
Leave Codes

- Codes ending in "C" (Contributing)
  - ACTMLC – only valid for Active Military leave initiated before 07/01/2013
  - SABTLC
  - SSLSSC
  - SSLWCC
  - EXCHGC
  - UNIONC
  - STUDYC

You are responsible for deducting, remitting, and reporting the associated Member/Employer Contributions during the leave of absence.

Contract Records
Leave Codes

- Codes ending in "N" (Non-Contributing)
  - ACTMLN
  - SSLSSN
  - SSLWCN
  - EXCHGN
  - STUDYN

You are certifying that if the employee meets the return requirements after the leave of absence you will permit the employee to make application to purchase the service credit associated with the leave. Some of the leaves stated above require both the Member and Employer to pay contributions, while others require the Member to pay both shares.

- Codes ending in "N" (Non-Contributing)
  - LEAVEN
  - WKCMPN

You are certifying that the employee does not meet the requirements for an "Approved Leave of Absence" ***or*** you are not willing to pay employer contributions to PSERS to satisfy your financial obligation associated with the leave.

You and the member will not have any financial obligation and the member will ***__not__*** receive any service credit for the leave of absence.

Example of a LEAVEN:

An employee is suspended. The employer puts the school employee on a paid administrative leave of absence. Even though you, the employer, approved this paid administration leave of absence, the leave of absence is not an approved leave as defined by the *Retirement Code.* Neither you, the employer, or the school employee may contribute to PSERS and the member may not receive service credit.

- If the leave of absence exceeds the length of time permitted by the Retirement Code and the employer does not end date the leave Contract Record, PSERS will automatically end date the leave Contract Record and create either:
  - a LEAVEN Contract Record or
  - a Termination Contract Record.

- A member may not be reported on a non-contributing leave for more than 24 months; however, there are some leaves that have an even shorter time restriction.

- The length of a contributing leave is defined by either the *School Code* or the *Retirement Code*.

Contract Records
Leave Codes

- For example,
  - Your school employee is approved for a special sick leave.
  - After meeting all the requirements, you, the employer, and the school employee agree to continue making retirement contributions while the school employee is on the leave of absence.
  - You submit the SSLSSC (Special Sick Leave School Sponsored Contributing Leave) Contract Record. The Start Date of the leave record is January 17, 2015.
  - On the weekend following January 16, 2016, the pension administration system will check to see if the leave Contract Record has been end dated.
    - If the record is not end dated, the system will end date the SSLSSC Contract Record with the date of January 16, 2016;
      - The system will create a LEAVEN Contract Record with a Start Date of January 17, 2016.
      - The change will prohibit you from reporting any additional salary, contributions, and service time for this school employee.
      - The Special Sick Leave is limited to 12 months, whether the leave is contributing or non-contributing.
    - If the record is end dated, the system will not take any action.
- More information on Leaves of Absence can be found in Chapter 10 of the *Employer Reference Manual.*

Contract Records
Leave Codes

- ## Leave of Absence
  - Start Date = the day the leave begins
  - End Date = the day the leave ends (automatically set by the system when the next Contract Record is submitted)

- ## Returning to Work
  - Start Date = the day after the leave ends
  - End Date = blank

- ## Terminating/Retiring
  - Start Date = same day as the leave end date
  - End Date = blank

Remember: Enter all actions in chronological order

Break

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Reporting Salary
Leave of Absence

SALARY

Base

URCC

WNC

NRCC

CONTRIBUTIONS

SERVICE UNITS

Days

Hours

- Contributing Leaves of Absence:
  - ACTMLC – only valid for Active Military leave initiated before 07/01/2013
  - SABTLC
  - SSLSSC
  - SSLWCC
  - EXCHGC
  - UNIONC
  - STUDYC

You and the employee are expected to pay contributions on the member's full contract salary, not the salary you are actually paying them.

- ## Pay and Reporting Match
  - Half Year Sabbatical (Approved for the Spring Semester)
    - $50,000 Full Year – Contract Salary
    - $25,000 Half Year – Contract Salary
      - Member would be paid $25,000 in the Fall Semester
        - Bi-weekly pay = $1,923.07
        - Report on Work Reports in the Base field
          - September – February = $3,846.15 (one month at $5,769.23)
      - Member would be paid $12,500 in the Spring Semester
        - Bi-weekly pay = $961.54
        - Report on Work Report in the Base field
          - March – August = $1,923.07 (one month at $2,884.61)
        - Report on Work Report in the URCC field
          - March - August = $1,923.07 (one month at $2,884.61)

Standard		
	BASE	URCC
sept	3846.15	
oct	3846.15	
nov	3846.15	
dec	3846.15	
jan	5769.23	
feb	3846.15	
mar	1923.07	1923.07
apr	1923.07	1923.07
may	1923.07	1923.07
jun	1923.07	1923.07
jul	2884.61	2884.61
aug	1923.07	1923.07

Reporting Salary
Leave of Absence

- ## Non-Standard Pay Schedule
  - Half Year Sabbatical (Approved for the Spring Semester)
    - $50,000 Full Year – Contract Salary
      - Member would earn $37,500
      - Member would have $12,500 in Sabbatical (Unpaid Retirement Covered Compensation)

Reporting Salary
Non-Standard vs. Standard

	Paycheck				Correct Reporting	
	BASE	URCC			BASE	URCC
sept	2884.61	961.53		sept	3846.15	
oct	2884.61	961.53		oct	3846.15	
nov	2884.61	961.53		nov	3846.15	
dec	2884.61	961.53		dec	3846.15	
jan	4326.92	1442.31		jan	5769.23	
feb	2884.61	961.53		feb	3846.15	
mar	2884.61	961.53		mar	1923.07	1923.07
apr	2884.61	961.53		apr	1923.07	1923.07
may	2884.61	961.53		may	1923.07	1923.07
jun	2884.61	961.53		jun	1923.07	1923.07
jul	4326.92	1442.31		jul	2884.61	2884.61
aug	2884.61	961.53		aug	1923.07	1923.07

- Non-Contributing Leaves of Absence:
  - ACTMLN
  - SSLSSN
  - SSLWCN
  - EXCHGN
  - STUDYN

All salary for the employee needs to be reported in the WNC field on the Work Report.

Reporting Salary
Non-Contributing Leave of Absence

Standard			
	BASE	WNC	Service
sept	3846.15		
oct	3846.15		
nov	3846.15		
dec	3846.15		
jan	5769.23		
feb	3846.15		92.5
mar		3846.15	
apr		3846.15	
may		3846.15	
jun		3846.15	
jul		5769.23	
aug		3846.15	92.5

Reporting Salary
Leave of Absence

- Non-Contributing Leaves of Absence:
  - LEAVEN
  - WKCMPN

Use the LEAVEN Work Status:

- If the leave of absence does not meet the requirements for an "Approved Leave of Absence" as defined by the Retirement Code, *or*
- If you, the employer, are not willing to pay any employer contributions during the leave of absence or when the member requests to purchase the service credit upon the member's return from the leave of absence, *or*
- If your school employee is delaying termination so that the member can attain a retirement milestone

Use the WKCMPN Work Status:

- If you, the employer, are not willing to pay any employer contributions during the leave of absence or when the member requests to purchase the service credit upon the member's return from the leave of absence, *or*
- If the Workers' Comp Leave exceeds the 12 months permitted under the Work Statuses: SSLWCC or SSLWCN

Miscellaneous Reporting

BALANCE OF CONTRACT – TERMINATED EMPLOYEE (TIMING)

BALANCE OF CONTRACT – WORK IN THE SUMMER

WORK HISTORY ADJUSTMENTS

- Termination Contract Records – at the end of the school employee's employment; not when the person switches a position

- Balance of Contract Flags

  ○ BOC Flag = yes, if salary needs to be paid after the school employee's month of termination; otherwise, no.

  ○ Outstanding Svc Flag = yes, if days and/or hours need to be reported to PSERS after the school employee's month of termination; otherwise, no.

  ○ BOC/Svc End Date = the last month the member (your school employee) will appear on a Work Report whether the information is salary or service.

Balance of Contract
Terminated Employee (Timing)

- Month of Termination vs. After the Month of Termination
  - *Month of Termination* – member is paid within 6 weeks of the termination month's Work Report receipt
    - Example: Termination = June 19, 2015
      - Work Report for June is received by PSERS on July 20, 2015
      - PSERS will pay most Benefits by August 28, 2015
  - *After the Month of Termination* – member is paid within 6 weeks of the last Work Report where the member is reported
    - Example: Termination = June 19, 2015 (BOC End Date = 8/2015)
      - Work Report for August is received by PSERS on September 20, 2015
      - PSERS will pay most Benefits by October 30, 2015

- # Balance of Contract vs. Summer Employment
  - Money should be 'tagged' to the fiscal year the money was *earned*, not paid
    - Example: Member is a teacher and is paid from September 2014 – August 2015; the teacher also teaches summer school in the month of July 2015 through mid-August 2015
      - Work Report July 2015
        - Fiscal Year 2015 – Balance of Contract (salary earned before June 30, 2015, but paid in July)
        - Fiscal year 2016 – Summer employment
      - Work Report August 2015
        - Fiscal Year 2015 – Balance of Contract (salary earned before June 30, 2015, but paid in August)
        - Fiscal Year 2016 – Summer employment

Work History Adjustments
Members

- Salary where Contributions were withheld
  - Reason Code = Payroll Correction
- Salary where No Contributions were withheld
  - Reason Code = Uncredited School Service

Note: If you are correcting an adjustment, then it is important to correct the information using the same Reason Code. For example: if you used a Reason Code of UNCRDT, then the correction needs to be reported under the same Reason Code.

Work History Adjustments

- Service Units (Days/Hours) where Salary / Wages were reported in Base, URCC, Supplemental, and/or Overtime
  - Reason Code = Service Adjustment
- Service Units (Days/Hours) where Salary / Wages were reported in WNC
  - Reason Code = Payroll Correction or Uncredited School Service; make sure there are funds in the WNC field

Note: If you are correcting an adjustment, then it is important to correct the information using the same Reason Code. For example: if you used a Reason Code of UNCRDT School Service, then the correction needs to be reported under the same Reason Code.

Questions

- Would you be willing to participate in focus groups to discuss :
  - Monthly reporting of salaried employees?
  - Training programs to help new Business Office or Human Resource personnel on PSERS rules?
  - Redesign of the Employer Reference Manual?

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