

2015-2016 Contribution Rates Set

At the October 27, 2014 Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) Board of Trustees’ meeting, the Board voted to maintain PSRS and PEERS contribution rates at current levels for the 2015-2016 school year. Those rates are as follows:

PSRS Contribution Rates		
	Employee Rate	Employer Rate
Active Members	14.50%	14.50%
Active Members Subject to Social Security Contributions	9.67%	9.67%
Full-Time “Critical Shortage” Retirees	0%	9.67%
PEERS Contribution Rates		
	Employee Rate	Employer Rate
Active Members	6.86%	6.86%
Full-Time “Critical Shortage” Retirees	0%	6.86%

Employer Services Restructure

We are excited about the changes happening within Employer Services and look forward to better serving you, our employer community, in the days ahead. Going forward, each Employer Services Analyst (ESA) will be responsible for a designated region throughout the state and neighboring employers within that region. One of the benefits of this change is that it lends itself to being able to expand our educational outreach to employers. Each ESA will be able to visit her region and provide more hands-on education, either one-on-one, or in group settings. Additionally, since we plan to rotate ESA regional assignments every 2-3 years, we, as a department, will be able to build strong working relationships with our entire employer community.

Reminder

You will continue to hear from Carol Cox, assistant to employer services director, and Megan Farris, employer services specialist, when we need termination information and final pay on employees who file for retirement or elect to take a refund of their contributions and interest. Paying benefits in a timely manner is a major goal for PSRS/PEERS, so we appreciate your prompt attention to our requests.

Offering a Retirement Incentive or Early Separation Program in 2014-2015?

If your school district is offering any type of incentive program for the 2014-2015 school year, **please** forward a copy of the program requirements to your ESA. Upon receipt, our legal staff will review the documentation to ensure the agreement does not violate the termination regulation. Please keep in mind, in order to retire and begin receiving retirement benefits from PSRS/PEERS a member must not be under contract for employment at a PSRS/PEERS-covered employer in any capacity until after receiving their first retirement benefit payment. A contract includes any type of early retirement incentive or separation agreement that requires the retiree to return to work or volunteer in any capacity after retirement in return for salary (including health insurance benefits).

Termination Reminders

In order to be considered to have properly terminated employment and eligible to receive retirement benefits, a member must:

- End all employment with all PSRS/PEERS-covered employers.
- Not return to work for any PSRS/PEERS-covered employer in any capacity **for a period of one month after your PSRS/PEERS retirement date**. This includes volunteering if the duties are similar to a paid position with the same employer.
- Not be under contract for employment at a PSRS/PEERS-covered employer in any capacity **until after receiving your first PSRS/PEERS retirement benefit**. A contract includes any type of early retirement incentive or separation agreement that requires you to work or volunteer in any capacity after retirement in return for salary (including health insurance benefits).

If these rules are not followed, a member is not considered terminated and is not eligible to retire and receive benefits. Retirement benefits paid to a member while ineligible must be repaid to PSRS/PEERS. In addition, the member and employer may be required to pay contributions on salary until a proper termination of employment occurs.

PSRS/PEERS Board of Trustees Adopts Community College Regulation

The PSRS/PEERS Board of Trustees adopted a potential regulation change for members who work after retirement for a community college. This regulation will have no impact on the working after retirement provisions for retirees who only work for a K-12 covered school district. This regulation change was adopted by our Board in December, but is still pending approval from the General Assembly. If approved, the regulation will become effective July 1, 2015. Detailed information regarding the regulation change will be sent to members and employers who are directly impacted.

W-2s and Retirement Contributions

When processing your W-2s for the 2014 tax year, please remember that, according to the Internal Revenue Service (IRS), contributions sheltered under Section 414(h)(2) of the Internal Revenue Code (IRC) should be entered in Box 14 of the W-2, and the "Retirement Plan" box in Box 13 must be checked. This is the same information as provided for the last tax year. We have not been notified of any changes in the reporting requirements. W-2 information and instructions are available at <http://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

Form SSA-1945 Due for Some New PSRS Members

Since January 1, 2005, the federal Social Security Administration requires that any new PSRS member who is exempt from Social Security coverage sign the *SSA-1945, Statement Concerning Your Employment in a Job Not Covered by Social Security* and provide a copy of each form to PSRS/PEERS. This form must be completed when the member is first employed in a Social Security "exempt" position. Annual filing is not required. Visit <http://www.socialsecurity.gov/forms/ssa-1945.pdf> for more information.

PSRS/PEERS Accepts Rollover Funds for Payments

Most PSRS/PEERS members are aware that they can use tax-deferred funds to pay for a purchase of service with PSRS/PEERS. However, they may not be aware that the tax-deferred funds can also be used to pay the employee portion of any sick leave remittances, USERRA (Uniformed Services Employment and Reemployment Rights Act) purchases or for the purchase of employee contributions required for prior year corrections. As an employer, you cannot withhold additional contributions from the employee's salary and pay it directly to PSRS/PEERS. Payment can only be accepted from another qualified plan.

Any contributions paid on behalf of the member for prior year corrections must come to us after tax, and you, as the employer, should treat those funds as such. Federal tax law does not allow employers to shelter any retirement contributions except for current salary.

Please contact your ESA to determine if we can accept tax-deferred funds for a specific situation.

Educational Opportunities

Whether you're new to retirement reporting or would simply like a refresher, please let us know. We are happy to meet with you to discuss OASIS and the basics of retirement reporting, as well as cover some of the more complex retirement reporting questions you may have.

Additionally, PSRS/PEERS offers educational opportunities for members, such as:

- **Pre-Retirement Seminars** – We encourage members attend a seminar within five years of their expected retirement date. A complete listing of seminar dates for the current school year is available on our website.
- **Group Counseling Sessions for PSRS members** – Small scale seminars (limited to 15 members) are offered every business day at 10 a.m. at the PSRS/PEERS office in Jefferson City.
- **Individual Counseling** – Members can meet one-on-one with a retirement counselor at our office in Jefferson City or via any computer with high-speed internet access and a web cam.



We continue to make changes to improve your experience with OASIS. Below is a list of updates and reminders.

- Some continue to have problems viewing and printing your deposit slips and we assure you we're working to find a solution. For the time being, once your employer deposit is "valid" please print your Deposit Maintenance screen and send along with your payment.
- It is no longer necessary to send demographic records as part of your payroll file.
- You can now report the death of an employee in OASIS by going to Organization Details – Notify Date of Death for an Employee. On the Death Notification screen, enter the employee's SSN and date of death and click 'Save'. Next, under Notification History, put a checkmark in the box of the record you created and click the 'Submit' button.
- When an employee goes on 'Military Leave' the Employment Status should be changed. If the employee later returns to work at your district, report a new Employment Status of 'Active' along with the return date. When the payroll record with the Employment Status of 'Active' is posted, you will get an email with instructions on how to complete a USERRA Granted record in OASIS.

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Registration is required for the above educational programs and can be completed online or by calling our office. If you would like a PSRS/PEERS representative to present an informational or in-service program at your school, contact our office by phone or email, or use the electronic meeting request form on our website.

PSRS/PEERS Member Services –Your Source for Information About PSRS/PEERS Retirement

When members are looking for PSRS/PEERS-specific retirement information or have questions, it is best to have them contact our Member Services department directly for assistance. Our retirement counselors are experts on PSRS/PEERS retirement and are here to help. Whether the questions are about retirement benefits or completing the necessary applications and forms, our highly trained staff is here to assist our members free of charge.

“Helping with retirement paperwork is an important part of our service to members,” said Amanda Bryant, PSRS/PEERS Benefits Supervisor. “We will make sure members have all the information they need, when they need it. There is never a cost for this service.”

Many PSRS/PEERS members choose to enlist the help of a financial planner when preparing for retirement. A qualified, trusted financial planner can provide valuable advice through an evaluation of your overall financial situation.

However, even when working with a financial planner, it is important for members to remain engaged in their retirement planning.

Our Information Center Representatives are available Monday through Friday, from 7:30 a.m. to 5 p.m. and can be reached toll free at **(800) 392-6848** or by email at **psrspeers@psrspeers.org**.