

Senior ESR Mary Knaebel Retires



After 29 years of hard work and dedication, one of our Senior Employer Service Representatives, Mary Knaebel, has retired from PSRS/PEERS. Mary's last day with the retirement system was November 30, 2012. Although we already miss Mary and her knowledge and expertise, we wish her the very best as she embarks on this next chapter in her life!

2013-2014 Contribution Rates Set - Unchanged from 2012-2013

At the December 10, 2012 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 2013-2014 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%

Your EMERS rates file will include the updated contribution rates file.

W-2s and Retirement Contributions

When processing your W-2s for the 2012 tax year, please remember that, according to the 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_11.pdf.

Sending Files to Certify for Use with the OASIS Employer Reporting System

With implementation of OASIS just a year away, now is the time to ensure your files are in the proper format and will successfully pass our file certification process. Early last year we asked you to review an interface file technical document and share the specifications with your HR and/or payroll system vendor, or with your IT department if they developed and support your HR/payroll software. We recommend you check with them to make sure the required functionality is available.

In order for us to confirm your files are in the proper format, follow the steps below to send a file that includes payroll, demographic and enrollment records. You should also submit a separate file for adjustments. In order to perform this test, please upload files to the secure portion of our website any time before the end of May 2013. Once the files are received, we will perform a series of steps to ensure the file format is compliant with OASIS requirements. We will notify you by email when your files have been received and reviewed by our technical team. Please allow three to four weeks for a response from our office, due to the volume of files we will be verifying.

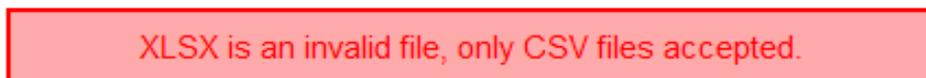
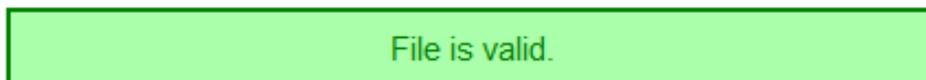
File Certification Process

1. Access our website, www.psr-peers.org.
2. Click on the “Employers” tab.



3. Under “Employer News,” click the “Payroll Certification” link.
4. Enter login information and click “Login.”
5. Click “Browse...” to select the payroll, demographic and enrollment records file to be uploaded.
6. Click “Open” once you have located the file saved on your computer.

*NOTE: Your file **must** be a .CSV file. You will see a note indicating whether or not the file is acceptable based on this requirement (see examples below).*



7. Select “Upload File.”
8. Repeat the steps listed above to upload your separate adjustments file.

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. This form must be completed when the member is first employed in a Social Security “exempt” position. Annual filing is not required. Visit www.socialsecurity.gov/form1945/ for more information.

Termination Reminders

PSRS/PEERS members are required to properly terminate pre-retirement work with covered employers. If not properly terminated, a member 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 earnings until a proper termination of employment occurs.

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, and
- Not return to work for any PSRS/PEERS-covered employer in any capacity. This includes volunteering if the duties are similar to a paid position with the same employer, and
- Not sign a contract for employment in any capacity until one month has passed since the effective PSRS/PEERS retirement date. A contract includes a retirement incentive if the incentive requires the member to return to employment in any capacity after retirement.

Proper Termination Waiting Period Example



If you have questions regarding proper termination, please contact your ESR.

Offering a Retirement Incentive in 2012-2013?

If your school district is offering a retirement incentive program for the 2012-2013 school year, **please** forward a copy of the program requirements to your ESR. This information will allow us to do a better job of counseling our members and providing more accurate retirement benefit estimates.

Retirement Education Opportunities

PSRS/PEERS offers free educational opportunities for members.

Early/Mid-Career In-Service

The Early/Mid-Career In-Service provides members who are just starting their careers in public education, as well as those in the middle of their careers, with a general overview of the Retirement Systems, including the many advantages of being a part of defined benefit plans such as PSRS/PEERS. We also point out some of the more important services and aspects of the Systems, such as vesting, purchasing and reinstating service and a variety of resources that are available.

Pre-Retirement In-Service

The Pre-Retirement In-Service is for those members who are within seven years of retirement eligibility. We cover the important information members need to be aware of when considering retirement, including the types of benefit plans PSRS/PEERS offers, when to file paperwork and considerations for working after retirement. We also provide each registered member with one **Benefit Estimate** for the expected retirement date.

Pre-Retirement Seminar

The Pre-Retirement Seminar provides an in-depth presentation of PSRS/PEERS retirement in a larger group setting. We cover such topics as the basics of the Retirement Systems, the benefit plans offered and a comprehensive review of a **Benefit Estimate**, as well considerations for purchasing service and working after retirement. Seminars are held across the state and individuals within five years of retirement eligibility are encouraged to attend. Registered attendees of these seminars will be provided with multiple **Benefit Estimates** for different potential years of retirement. Members can register on the PSRS/PEERS website or by calling our office.

If your school would like a PSRS/PEERS representative to conduct a free educational program please contact our office by phone or email, or use the electronic meeting request form on our website.

If you are approached by your fellow employees with retirement-related questions about PSRS/PEERS, please refer them to our Information Center for assistance rather than to your ESR. 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.

PSRS/PEERS Accepts Rollover Funds for Certain 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 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 payment of employee contributions required for prior year corrections. However, as an employer, you cannot withhold additional contributions on a pre-tax basis from the employee's compensation and pay it directly to PSRS/PEERS. Tax-deferred payments can only be accepted from another qualified plan.

Any contributions paid by the employer 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 an employer to shelter any retirement contributions except for those made on current earnings.

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