



Jeff Russler, PSRS/PEERS Director of Employer Services, Retired September 1

After 21 years of service at the Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS), Employer Services Director, Jeff Russler, retired effective September 1. We congratulate Jeff on a job well done and wish him the very best as he embarks on this next chapter of his life.



PSRS/PEERS Welcomes Omar Davis

Omar Davis will join PSRS/PEERS on September 26th as the new director of employer services.

Most recently, Davis served as the investment legal and compliance counsel for the Missouri State Employees' Retirement System (MOSERS). Prior to that, he was general counsel at the MoDOT and Patrol Employees' Retirement System (MPERS). In addition, he served as director of revenue at the Missouri Department of Revenue from 2007 to 2009 and was director of the Missouri Department of Labor and Industrial Relations from October to December 2007.

Davis holds a Juris Doctorate degree from the University of Missouri - Columbia School of Law and a Bachelor of Science degree in psychology from Kansas State University.

Thank You for Another Successful July

Each July, the vast majority of all new PSRS/PEERS retirees start receiving benefits. This July, our office processed 3,149 new retirees. Our goal is to make sure our members receive the benefits they have earned based on correct data, in a timely manner. This is something few education-related retirement systems across the nation can accomplish. Your help with timely reporting and answering our questions allowed us to accomplish these goals.

Year-End Auditing is Complete

We have completed our auditing for the 2015-2016 school year. Thank you for your patience and cooperation while hearing from multiple ESAs over the past month.

Fall Regional Employer Conferences

**Moving Forward,
Closer to Home**
2016 PSRS/PEERS Employer Conferences

SIGN UP TODAY
Registration Now Open
Contact Employer Services for more details.

PSRS/PEERS
PUBLIC SCHOOLS & EDUCATION EMPLOYEE
RETIREMENT SYSTEMS OF MISSOURI

Registration is now open for our regional conferences being held throughout the state during the month of October. These conferences will be held in the morning, featuring a similar agenda to last year, along with an optional afternoon session that will focus more on the basics of navigating through OASIS. The afternoon session will serve as a great training opportunity for those of you who are new to retirement reporting, as well as those of you wanting a refresher course.

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Visit the Employer Meeting Maintenance menu in OASIS to register for a conference convenient for you. When registering, please note whether you plan to attend the afternoon session in the comments box.

2015-2016 Governmental Accounting Standards Board (GASB) Review

We are excited to share the news that this year's GASB process will be much more streamlined. You will complete the reconciliation and questionnaire process within OASIS. More details will be provided over the next couple of months via email.

New School Year Reminders

Membership – Membership eligibility is based on an individual's certificated status, not his or her position. For example, if your custodian has a valid Missouri educator certificate, the custodian should be reported to PSRS, if eligible. To check the certificated status of an individual, contact the Missouri Department of Elementary and Secondary Education (DESE) Educator Certification at (573) 751-0051. To determine if an individual has an active membership in either PSRS or PEERS, or you can use the Member Verification tool in OASIS.

Remember that an "inactive" Missouri educator certificate is considered a certificate for determining PSRS eligibility. Most "expired" certificates that have an expiration date on or after August 28, 2003 are considered "inactive."

Enrolling Employees – All new employees, including non-members, must be enrolled in OASIS when initially reported by your school. An enrollment record is also necessary anytime an employee moves from one plan to another. For example, when a substitute teacher becomes a full-time teacher (non-member to PSRS) or when a non-certificated employee becomes certificated (PEERS to PSRS).

The 'Current Eligibility Date' on the enrollment record should be the day the individual first became eligible for the plan in which you are enrolling him or her for the current period of employment. This is not necessarily the first day he or she was employed.

Annual Base Salaries for Active PSRS Employees – You must report an annual base salary for all active PSRS members no later than September 30. The annual base salary should be the amount you expect the employee to earn, in that position, based on the employee's education and experience, for the full school year. It should include any extra duty pay you expect the employee to earn when first reported for the year, but does not include employer-paid insurance premiums. Additionally, the PSRS annual base salary should always be calculated assuming the employee is full-time (i.e. working the same number of hours full-time teachers at your district work each school year), even if working part-time. A part-time employee, per our definition, is a PSRS member who does not work the same number of hours that a full-time teacher at your district works. Part-time employees (PSRS only) typically do not earn a full year of service unless working extra duties or overtime throughout the school year. The annual base salary of a part-time PSRS member should be calculated based on the employee's hourly rate, multiplied by the number of hours a full-time teacher at your district works per day, multiplied by the number of days that a full-time teacher works per year (or the hourly rate, multiplied by the number of hours a full-time teacher at your district works per week, multiplied by the number of weeks that a full-time teacher works per year). See example on the following page.

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EXAMPLE

You've hired certified teacher, Ms. Smith, to be the volleyball coach and have agreed to pay her \$4,000.00. She is expected to work 400 hours during the semester. Full-time teachers at your school work 35 hours per week. Since Ms. Smith is not expected to work the same number of hours that full-time teachers at your district work, her annual base is calculated as follows:

- $\$4,000.00 \div 400 \text{ hours} = \10.00 per hour
- $35 \text{ hours per week} \times \$10.00 \text{ per hour} = \350.00 per week
- $\$350.00 \text{ per week} \times 36 \text{ weeks (9 months of school)} = \$12,600.00$

The full \$12,600.00 should be reported as Ms. Smith's annual base salary even though she will only earn \$4,000.00 in the coaching position.

Annual Base Salaries for Active PEERS Employees – You must report an annual base salary for all active PEERS members no later than September 30. The annual base salary should be the amount you expect the employee to earn, based on the manner in which he or she is employed, for the full school year. It should include any extra duty pay you expect the employee to earn when first reported for the school year, but does not include employer-paid insurance premiums.

A PEERS annual base salary is typically based on the hours per day and months per year, however must be calculated on at least 20 hours per week for a period of at least 9 months.

Annual Base Salaries for PSRS Retirees – You also must report an annual base salary for all PSRS retirees. When reporting annual base salaries, you should include the full amount of employer-paid medical, dental and vision insurance premiums **if** the employer is paying all or a portion of the retiree's insurance. If no portion of the retiree's insurance is paid by the employer, insurance should not be included in the annual base salary. Additionally, you should not include travel/automobile allowances, summer school payments and expense accounts/reimbursements.

Terminating Employees – You must report termination information for all employees who terminate "eligible employment." This can be done when reporting the employee's final payroll, or through our new functionality after all payroll has been reported. Failing to properly terminate employees will result in System Generated Payroll Detail Records (stub records) to generate and may cause reporting issues for other employers.

To report termination information on the employee's final payroll being reported:

- Change the Employment Status to 'Terminated'
- Enter the Termination Date
 - This should be the last day worked, not necessarily the date of last paycheck

To report termination information using our new functionality:

- Navigate to Organization Details, then Employee Lookup
- Enter the SSN or first and last name of the individual you are wanting to reporting the termination date and final pay for
- Click 'Search'
- Click on the Person ID
- Choose School Year from the drop down box

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- Enter the Termination Date
 - This should be the last day worked, not the date of the last paycheck.
- Mark the Final Pay check box
 - Do not mark this box until you have verified all salary has been reported and the year-to-date totals in OASIS match the year-to-date totals in your payroll software system.
- Click 'Update'

Adjusting Data Previously Reported – An adjustment should be entered when changes need to be made to a previous school year or to memberships that are no longer active (retired, refunded, etc.). Changes to the current school year should be reported through a manual ER Summary as long as the member is still active.

Name Change Documentation – All employees must be reported by their full, legal names. If you provide information to our office about an employee's name change, please be sure to include written documentation such as a copy of a marriage certificate, divorce decree, court order, drivers' license or Social Security card.

PSRS Members and Social Security – Any PSRS members who earn salary that is subject to Social Security withholding should be reported in OASIS as PSRS with a Wage Type of Social Security, and OASIS will calculate the correct contribution percentage (9.67% for the 2016-2017 school year). Please remember, PSRS/PEERS does not determine which positions are covered by Social Security. That determination is made by Office of Administration. For specific questions, you may contact Vandee Devore, Social Security Administrator, at (573) 751-1987.

Working After Retirement Limits are Pro-Rated for Non-July Retirees

The working after retirement limits are pro-rated for any PSRS or PEERS member who retires anytime other than July 1. This proration applies only to employment in the first school year after retirement. After the first school year has passed, the limits revert to the full 550 hours and the full 50% salary limit for PSRS retirees.

For example, a September 1 retiree is limited to working no more than 458 hours, and earning no more than 42% salary between October 1 and June 30. On July 1, 2017, the retiree's limits revert to the full 550 hours and 50% salary limits (for PSRS retirees), and remain that way as long as the retiree continues to work while receiving a benefit.

Working After Retirement Record Paper Forms No Longer Required from Employers

The PSRS/PEERS Board of Trustees requires that both retirees and employers maintain a record of hours worked (retirees of both PSRS and PEERS) and salary earned (PSRS retirees only).

Hours worked for PSRS and PEERS retirees, as well as those employees who are not eligible for coverage by either System (non-members), must be reported in OASIS. This required reporting takes place of the employer's requirement to maintain the written **Working After Retirement Record** forms. However, you can print the forms from OASIS if you also prefer to keep a written record.

Retirees are still required to track their post-retirement hours and salary on the **Working After Retirement Record** forms provided to them by our office.

It is important that you and the retiree agree on how hours (and salary, if required) are counted toward the working after retirement limits.

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Retiree Notification Letters

We will notify both the employer and the retiree when a retiree:

- Is reported as working for a PSRS/PEERS-covered employer as a part-time or temporary-substitute employee
- Reaches 50% and 75% of their post-retirement limit(s)
 - This notification is based on the timeliness and accuracy of the data reported by all employers.

It is the responsibility of both the retiree and employer to ensure the working after retirement limits are not exceeded.