

Employer Monthly Update August 2016

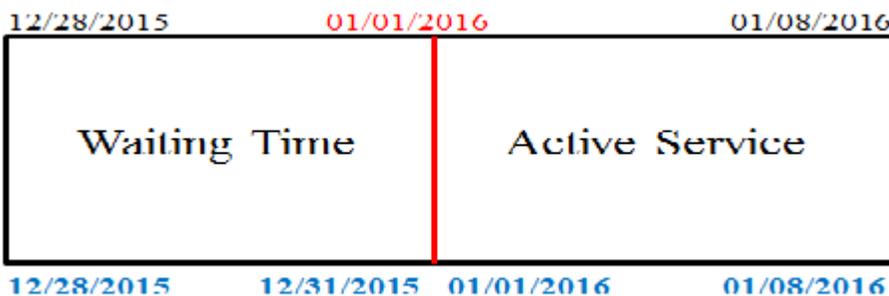
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1. **Reminder: Reporting contributions for those who establish OPSRP membership on or after January 1, 2016.**

Contributions for employees establishing OPSRP membership on or after January 1, 2016 begin with the **first full pay period following the six-month wait time**. Employers will need to use a different procedure to correctly report wages and contributions for any pay date after OPSRP membership is established if the pay period for that pay date includes both waiting time service and active service.

Here is an example of that procedure. The example illustrates reporting by a "local government" employer and a non-"local government" employer for a pay period which begins December 28, 2015 and ends January 8, 2016, with a January 22, 2016 pay date reporting an individual who works 80 hours for the two-week period for a reported salary of \$2000.00 and establishes OPSRP membership January 1, 2016.

Local government employers can be identified by a PERS employer number in the 2000-2879 range. **Local government employers ALWAYS use Work Period Begin/End Dates (WPBED) on DTL2 records** when reporting wages, hours and contributions. **Two DTL2 records must be used to report wages, hours and contributions for pay periods crossing monthly boundaries, because WPBED will NOT cross monthly boundaries.**



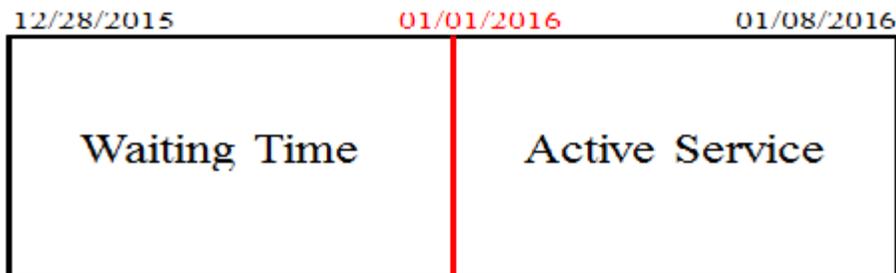
For the 1st DTL2 record:

Pay date:
01/22/2016
Work Period Begin Date: 12/28/2015
Work Period End Date: 12/31/2016
Hours Worked:
(Regular) 40.00
Reported Wage Code: 01
Subject Salary, Regular: 1000.00
Non-Subject Salary: (blank)
Contributions:
(blank)

For the 2nd DTL2 record:

Pay date: 01/22/2016
Work Period Begin Date: 01/01/2016
Work Period End Date: 01/08/2016
Hours Worked: (Regular) 40.00
Reported Wage Code: 01
Subject Salary, Regular: (blank)
Non-subject Salary: 1000.00
Contributions: (blank)

Non-local government employers can be identified by a PERS employer number outside the 2000-2879 range. **Non-local government employers NEVER use Work Period Begin/End Dates (WPBED) on DTL2 records** when reporting wages, hours and contributions so a single record can be used to report this pay period.



Pay Date: 01/22/2016
Hours worked: (Regular) 80.00
Reported Wage Code: 01
Subject Salary, Regular: (blank)
Non-subject Salary: 2000.00
Contributions: (blank)

Why is non-subject salary used for this pay period? For those who establish OPSRP membership on or after January 1, 2016 contributions begin with the first full pay period after membership, and that **first full pay period would NEVER include waiting time service**. The use of non-subject salary would be **the only way to avoid EDX contribution requirements for salary reported with Wage Code 01-Regular wages**. **Non-subject salary would be used ONLY when**

reporting a pay date for a pay period including both waiting time service and active service.

Contact your ESC Account Team representative if you have questions on this topic.

2. Processing Tip for August 2016.

Make sure that you've submitted regular reports for all reporting periods thus far in 2016. If you've combined two Regular reports into one for any reporting period in 2016, or discover a report missing please contact your [ESC account representative](#).

3. Reminder: Use of Work Period Begin/End Dates (WPBED).

Local government employers need to report wages with Work Period Begin and End Dates for their Chapter 238 Tier 2 and OPSRP employees. The DTL2 Work Period Begin Date and Work Period End Date fields are used by local government employers to **specify the period worked for a reported pay date. Although not required, local government employers may also report Tier 1 employees with work period dates, to make reporting uniform and less time-consuming.**

An employer can determine status as a local government employer in two ways: 1) A PERS employer number in the 2000-2879 range, and 2) Review Oregon Revised Statutes (ORS) 174.116, which is a list of organizations defined as local government employers. Statute reference is the recommended method of verifying local government status.

Any employer can change a member's job class through a DTL2 record, but the change may not be retroactive. Due to this restriction it is most **often best to submit job class changes through a Demographic Correction Request (DCR).**

Please remember:

A) ONLY local government employers should use Work Period Begin/End Dates when reporting wages, hours and contributions.

B) Non-local government employers should normally NEVER use Work Period Begin/End Dates when reporting wages, hours and contributions.

C) The Units program is open ONLY to Tier One/Tier Two Police & Fire members who've elected to participate in that program. No other job class may participate in the Units program, and the Units program is NOT open to OPSRP Police & Fire (Job Class 02) members. If you are a local government employer using Work Period Begin/End dates with DTL2 records to report wages, hours and contributions, and you've just hired a Tier One/Tier Two P&F Unit program participant or you have a current Tier One/Tier Two P&F employee who has just elected to participate in the Units program, **and you are making your first report of Unit contributions for the employee, then please include the entire unit contribution IN ONLY ONE of the two DTL2 records** required for reporting wages, hours and contributions for a pay period crossing monthly boundaries. You may split pay period wages, hours and contributions between the two required DTL2 records, **but PLEASE DO NOT split the unit contributions between the two DTL2 records; put the entire Unit contribution amount in either one of the two DTL2 records.** Including the entire Unit contribution in one of the two required DTL2 records will avoid an EDX error which would prevent posting Unit contributions for each subsequent DTL2 record with a Unit contribution entry.

NO employer would enter job class information, including Job Class and Average Overtime Hours code, on ANY DTL2 record UNLESS the job class is actually being changed with that DTL2 record.

Contact your [ESC Account Team Representative](#) if you have further questions on this subject.

4. Reminder: The first report of unit contributions for Tier One/Tier Two Police & Fire (Job Class 02) by local government employers.

Local government employers with pay periods crossing monthly boundaries must use two DTL2 records to report all employees for any pay period crossing monthly boundaries. Employers can split reported wages, hours and contributions between the two DTL2 records any way they wish, as long as the two DTL2 records include all wages, hours and contributions reported for each employee in that pay period crossing monthly boundaries. **However...**

If you've just hired a Tier One/Tier Two P&F Unit program participant or you have a current Tier One/Tier Two P&F employee who has just elected to participate in the Units program, and you are making your first report of Unit contributions for the employee, **then please include the entire unit contribution IN ONLY ONE of the two DTL2 records** required for reporting wages, hours and contributions for a pay period crossing monthly boundaries. You may split pay period wages, hours and contributions between the two required DTL2 records, but PLEASE DO NOT split the unit contributions between the two DTL2 records; put the entire Unit contribution amount in either one of the two DTL2 records. Including the entire Unit contribution in one of the two required DTL2 records will avoid an EDX error which would prevent posting Unit contributions for each subsequent DTL2 record with a Unit contribution entry.

5. Reminder: Member account contributions cannot be made by more than one contribution method.

Contributions are made by **ONE of three methods**:

MPAT – Member Paid After Tax (This is the default method if no other is selected).

MPPT – Member Paid Pre Tax. The required PERS employee contribution is deemed to be "**picked up**" for purposes of IRC Section 414(h)(2) and **submitted** by the employer.

EPPT – Employer Paid Pre Tax. The required PERS employee contribution is deemed to be "**picked up**" for purposes of IRC Section 414(h)(2) and **is assumed and paid** for purposes of ORS 238A.335(2)(b).

Member account contributions cannot be split between two or more methods when reported on a DTL2 record. If you have previously made contributions concurrently by multiple methods for the same employee, those past records need to be corrected to indicate contributions by the method which applied to the employee at the time the contributions were reported.

Please contact your [ESC Account Representative](#) if you need help with historical contribution report correction.

6. Reminder: Please DO NOT use full Social Security numbers in emails to PERS.

The PERS email system **is not considered secure for use of full Social Security numbers**. If you need to reference a member in an email to PERS please use the individual's **PERS ID or the "last four" digits of the individual's Social Security number**.