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2021–23 rates approved, valuations available online

On October 2, 2020, the PERS Board approved new employer contribution rates for the next biennium. The rates, calculated by PERS' consulting actuary Milliman, go into effect on July 1, 2021, and remain in place until June 30, 2023.

Milliman prepares a detailed valuation for most employers that explains how they calculated your rate.

This year, we will **not email individual valuations**. You can access a PDF of your valuation online (see below).

Where to find your rate

All 2021–23 rates are published on the [PERS Contribution Rates webpage](#).

Where to find your valuation

Find your valuation [online](#).

Noteworthy this year

Your contribution rate for the next biennium was influenced by several factors:

- The Senate Bill (SB) 1049 [Tier One/Tier Two UAL re-amortization](#) is offsetting rate increases.
- The SB 1049 [Member Redirect](#) is offsetting rate increases.
- The **rate collar** is not triggered for the State and Local Government Rate Pool (SLGRP) and School Districts pool, which increases the unfunded actuarial liability (UAL) rate.
- Employer contribution rates and valuations do not include offsets for **side accounts** established in 2020. The valuation only uses data through December 31, 2019, so if you established a side account with a 2020 effective date, you need to subtract your side account offset from the listed rate.

Stay up to date!

COVID-19

- [PERS updates on novel coronavirus \(COVID-19\)](#)
- [Frequently asked questions about paid leave during the COVID-19 pandemic](#)
- [Loss of work during the COVID-19 pandemic \(FAQs for members\)](#)

Senate Bill 1049

- [Information for PERS employers](#)
- [Information for members](#)
- [SB 1049 GovDelivery emails signup](#)

Employer rate relief programs

- [Employer Rate Relief Programs webpage](#)

Other topics

- [Choose what GovDelivery emails you'd like to receive](#)

Continued

For more information

If you have questions about your rate or valuation, contact [Actuarial Services](#).

Coming soon: New guides to help employers better understand what makes up your rates. To be alerted when a new guide is published, make sure you are signed up for the [Employer Rate Relief Programs topic](#) in GovDelivery.

Member Redirect: How to start an employee's voluntary contributions to their IAP

When one of your employees elects to begin making after-tax [voluntary contributions](#) to their IAP account as part of Member Redirect, you need to begin deducting the proper amount from your employee's net pay.

For instructions on how to start the IAP voluntary contribution process in EDX and identify the deduction amount and effective date, review PERS' new, step-by-step [How to Manage an Employee's Voluntary Contribution](#) page on the PERS employer website.

Timing

- Remember that members only have until October 31, 2020, to make their voluntary contribution effective date **retroactive** back to July 1, 2020.
- Voluntary contributions that are **not retroactive** (i.e., will apply going forward) can be started and stopped any time.
- If PERS receives an election or discontinuation request on the **first day** of a given month, the member's effective date is the first day of the **next month** (e.g., an election made in OMS on November 1 would have an effective date of December 1).
- If PERS receives an election or discontinuation request **on or after the second day** of a given month, it takes about two months to go into effect, with the effective date being the first day of the **second month** (e.g., an election made in OMS on November 5 would have an effective date of January 1, 2021).

For more information

If you have questions or need support, please contact your [Employer Service Center representative](#).

To learn more about Member Redirect, including links to information for members, go to the [SB 1049 webpage](#) on the PERS employer website.

Reminder: Employer Service Center changing 07 wage codes to 17

Beginning in late October, employers will begin using new wage codes to report your working retirees' hours. We will inform you when the new wage codes are ready to use. (For details on why this is necessary, scroll down to "Background.")

In the meantime, however, all the hours that you have reported so far this year, under the old wage code (07), will be updated to the new wage code (17).

The good news is that PERS is doing this for you. **There is nothing for you to do now.** You will only use the new code going forward as soon as we notify you that the functionality is available. The Employer Service Center will take care of recoding retiree wages from January 1, 2020, through late October 2020.

Wage codes update

Current code

07	Retired/No Contributions	Used to report a retired member who is returning to work. <i>Going forward, code 07 will to be available for reporting service retiree wages prior to 1-1-2020, and for any disability retired members returning to work.</i>
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New codes (preview)

17	Retiree Wage-ER Rate	Used to report a service retiree who has a pay date of 1-1-2020 or later.
18	Negative Adjustment Retiree Wage-ER Rate	Used to negatively adjust Retiree Wage-ER Rate wages for a service retiree who has a pay date of 1-1-2020 or later.

Invoices coming soon

When ESC representatives change the wage codes on your service retirees this month, it will generate invoice activity for contributions on retiree wages back to January 1, 2020. You will see the amount in EDX in **View Your Statement** under **Un-Billed Activity**, and any invoices will be due on your next statement (November). To be able to pay a potentially large invoice through ACH, you may need to increase your bank limit. Read the article, "Prepare for retiree invoicing by updating your bank limit," ([on page 5](#)) for more information.

Background

New working-retiree wage codes are required because of [SB 1049 changes to Work After Retirement](#). In December 2019, PERS added a new validation to the EDX system to suspend all service retirees (but not disability retirees) with a 07 wage code. This enabled us to track which service retiree(s) were being reported under SB 1049 until long-term technology changes could be made.

As of January 1, you are required to pay to PERS your [Employer Contribution Rate](#) on any service retiree's wages as if they were an active member. Because of the time between the effective date of the new requirement (January 1, 2020) and the effective date of the technology to support the requirement (late October 2020), PERS will invoice employers for these contributions retroactively.

For more information

[Q&A: Preparing for Work After Retirement contributions due this fall](#) (from the April 2020 *Employer Newsletter*)

Please share this information with your staff.

PERS Expo begins October 19

Due to COVID-19, PERS Expo 2020 will be held as a digital event this year, with a suite of new educational resources that will be live starting **Monday, October 19, 2020**.

To participate, just go to www.growyourtomorrow.com/expo and explore the resources at your leisure.

About the Expo



Whether you are new to public employment or approaching the end of your career, PERS and the Oregon Savings Growth Plan (OSGP) are here to help members along the journey.

PERS Expo 2020 will include new videos, information, and other tools to help members navigate their financial future and chart a course to a successful retirement.

Watch for more info coming via GovDelivery

Make sure you and your employees are signed up for the [“PERS Expo” topic in GovDelivery](#) to receive an alert when retirement education resources are live.

PERS will also forward information to our “primary” and “human resources” employer contacts in GovDelivery on October 19. We appreciate you forwarding this information to your staff.

To ensure we have the right employer contacts and the correct targeting data, [please review your GovDelivery subscriptions and optional “Questions”](#) and share this information with your colleagues.

Online education sessions

PERS education sessions available via webinar

Outside of the PERS Expo 2020 experience, PERS continues to offer education sessions (with financial planning) via webinar. These are the same as our standard education sessions and are followed with additional financial planning afterward.

Members can sign up and find details on the [Tier One/Tier Two](#) or [OPSRP](#) education pages. More webinar options will continue to be added.

In addition, PERS continues to conduct one-on-one [Retirement Application Assistance Sessions \(RAAS\)](#) via phone. It is highly recommended that members planning to retire this year sign up for a RAAS to ensure that their PERS paperwork is accurate and complete.

Tier One/Tier Two sessions

[Retirement Readiness with Financial Planning](#): For members within three years of retirement.

[Introduction to PERS Retirement with Financial Planning](#): For members with more than three years to retirement.

OPSRP

[All About OPSRP Presentation with Financial Planning](#): For members at any career point.

PERS partners with AIG Retirement Services to provide members with basic financial planning information. The partnership is not an endorsement of AIG Retirement Services products or services.

Prepare for retiree invoicing by updating your bank limit

As explained in the “[Employer Service Center changing 07 wage codes to 17](#)” article, agencies and districts who employ PERS retirees — and pay their invoices by “pull” (debit) ACH — have a potentially large bill coming next month. The first invoice generated after new wage codes are deployed in late October will include nearly 10 months of contributions on retiree wages, in addition to the current amounts due for contributions on nonretired members.

To prepare, you may need to contact your bank to ensure that the amount will not exceed a limit on the amount of an electronic fund transfer allowed.

For more info

See the July 2020 *Employer Newsletter* article, “[New EDX wage codes for rehired retirees coming this fall.](#)” Contact your [Employer Service Center representative](#).

EDX tip of the month: Inactive employee list

Do you have employees who are no longer actively working for you and have not been terminated in EDX yet?

If you are not sure of the answer to this question, run an Inactive Employment Report to identify employees who have had no wages reported within the last 90 days (i.e., they are inactive).

1. In the Site Navigation of any EDX page, click the **Inactive Employment Report** link. (See [Figure 1](#).)
2. Click the **Download CSV File** button. (See [Figure 2](#).)

This will pull the following information about any inactive employees into a CSV file:

- PERS ID
- SSN
- Last name, first name, middle initial
- Last pay date
- Hire date
- Contribution start date

3. Review the file.

If any employee on the list is no longer actively working for you, submit a DTL1 record with a 02 - termination wage code to end the open employment segment.

Figure 1



Figure 2

