

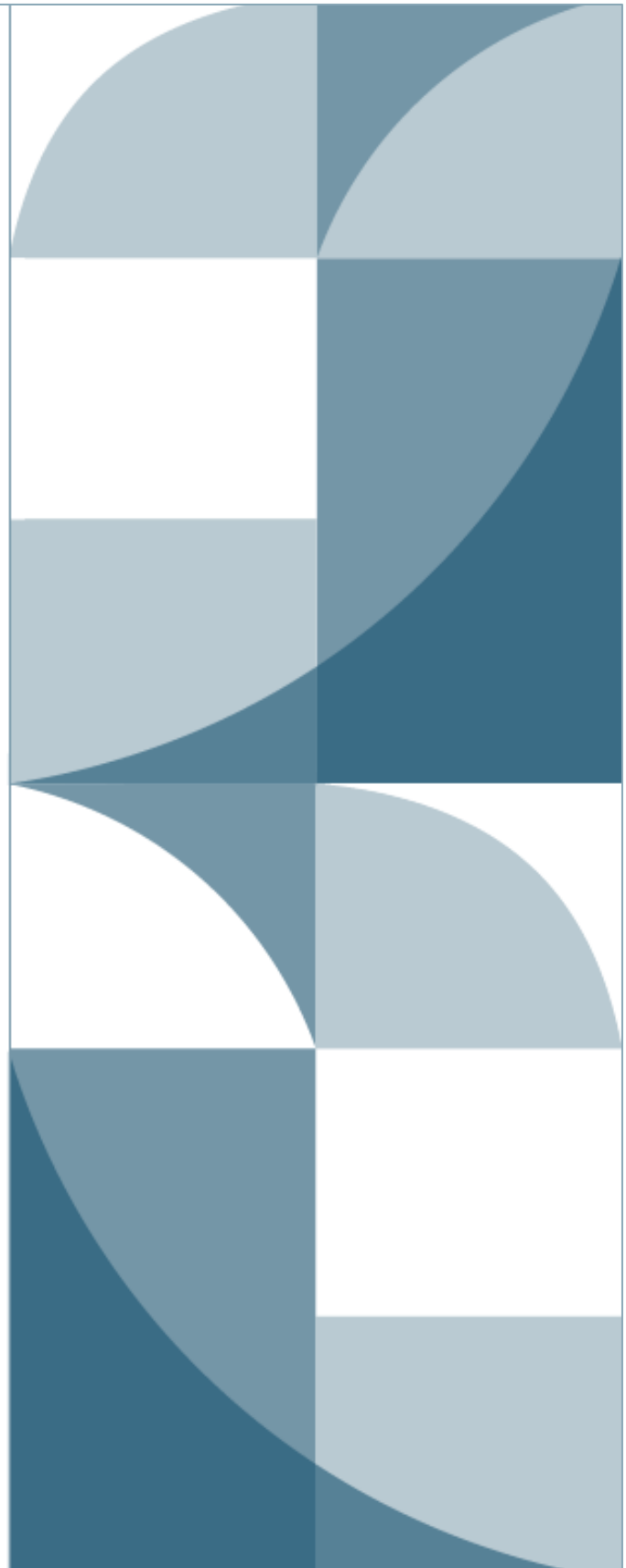
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Submitting an **Adjustment Record**

Employer Reporting Guide

*This guide explains how to change
wages and hours reported for a
prior reporting period.*

**Employer
Service
Center**



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Introduction

This guide explains how to correct data in a posted Detail 2 Wage and Service record for the current year. This is necessary when you need to fix a clerical error, add wages that were missed or underreported, move a payment from the Non-Subject Salary field to the Subject Salary field or vice versa, or add a payment as the result of a court order or settlement.

Overview of the wage-adjustment process

Detail 1 Member Demographics record	<p>Change data: To change demographic data, submit a Demographic Correction Request (DCR) to PERS (for instructions, go to guide 20, Creating a Demographic Correction Request (DCR)).</p> <p>Only PERS staff can change the information in a posted Detail 1 record; therefore, this guide only covers changes to a posted Detail 2 record.</p>
Detail 2 Wage and Service record	<p>Add data: To add wages, hours, and/or contributions to a posted Detail 2 Wage and Service record, submit a new record with a positive adjustment wage code and the same pay date and work period dates (if applicable) as the original record.</p> <p>Subtract data: To reduce wages, hours, and/or contributions from a posted Detail 2 Wage and Service record, move data to a different field, or cancel a record altogether, submit a new record with a negative adjustment wage code and the same pay date and work period dates (if applicable) as the original record.</p>

Overview of adjustment wage codes

Wage code	Used to	Explanation and tips
04 Retroactive Payment	<p>Add wages to a past pay period that:</p> <ul style="list-style-type: none"> Are granted from a legal order. Were caused by a clerical error. 	<p>04 adds pay that is applicable to a prior pay period and meets the statutory definition of retroactive payment in Oregon Revised Statute (ORS) 238.008.</p> <p>Report each affected pay date in a separate record.</p>
05 Positive Adjustment	<ul style="list-style-type: none"> Add wages and hours (and contributions if qualifying position) to a previously posted record. Report missing wages and hours to a previous pay period. Report a missed pay date. 	<p>05 is the only positive adjustment wage code.</p> <p>It adds to an amount already reported and posted for a past pay date. It can also add wages that were missing from a past wage record and can add a pay date that was not reported for a past pay period.</p> <p>The pay date (and work periods, if applicable) on the adjustment record must match the date on the original record.</p>

SUBMITTING ADJUSTMENT RECORD

Wage code	Used to	Description
06 Negative Adjustment	<ul style="list-style-type: none"> Completely cancel a posted record to “zero out” a pay date. Edit a posted record by “backing out” or removing the incorrect posted hours and/or wage values. 	<p>There are four negative adjustment wage codes: 06, 14, 16, and 18. They all work the same, they just cancel out different wage codes.</p> <p>06 can completely cancel (i.e., reverse or back out) a posted record in which wage code 01, 04, 05, or 08 was used. The new record with wage code 06 must be a mirror image of the original record. After that record posts, submit a corrected record.</p> <p>A negative adjustment record can also move wages to a different, corrected wage field.</p> <p>Tips:</p> <ul style="list-style-type: none"> The pay date must match a previously reported pay date. Enter numbers as you normally do; do not try to input as a negative number.
14 Negative Adjustment/ No Contributions	Subtract pay from a previous pay period for which there were no contributions reported.	<p>14 makes a negative adjustment to wages originally reported with wage code 02 – Regular/Non-Qualifying or 07 - Retired/No Contributions (used to report wages earned by a service retiree with a pay date prior to 1/1/2020 or disability wages earned after 1/1/2020).</p> <p>Only fields that require an adjustment should be filled. The amount or amounts will be subtracted from the previously reported amounts.</p>
16 Negative Adjustment - USERRA Wages	Subtract pay from previously reported USERRA-qualifying wages.	<p>USERRA wages are those reported for an employee who was out on a military leave that qualified for the Uniformed Services Employment and Reemployment Rights Act (USERRA). Military leave reporting is explained in employer guide 12, Military Leave.</p> <p>16 makes a negative adjustment to wages originally reported with wage code 11 – USERRA Qualifying Wages.</p> <p>Use if USERRA-qualifying wages previously reported were too much.</p>
18 Negative Adjustment Retiree Wage - ER Rate	Subtract pay from previously reported retiree wages.	18 makes a negative adjustment to retiree wages reported with wage code 17 for a pay date of 1/1/2020 or later.

Six tips for success

1. Make corrections right away whenever possible.

- ☆ **You do not need to submit an adjustment record for an unposted record.** If you realize you have just saved a record with a mistake, “edit” the record before releasing the report for the overnight batch run.

2. Do not submit a Detail 1 record and Detail 2 record for the same employee in the same report.

- ☆ For example, if you submit a new employee’s Detail 2 new-hire record in the same report as their first wage record, EDX will think you are trying to report wages for someone who is not your employee. The Detail 1 and Detail 2 records can have the same date, but they must be released in different reports.

3. Create the adjustment record in a Demographics and Adjustment report.

- ☆ You can create an adjustment record in a Regular report, but it’s best to reserve Regular reports for your regular payroll.
- ☆ You can include **more than one adjustment record** for one employee or multiple employees in a single report.

4. Only use adjustments to change wage-related information.

- ☆ Adjustments can only change hours worked, salary, and contributions. To make changes to the following information in a Detail 1 Member Demographics record, **submit a Demographic Correction Request** (for instructions, refer to [guide 20, Creating a Demographic Correction Request \(DCR\)](#)):
 - **Job classification code.**
Find definitions in [Job Classification Codes quick-reference guide](#).
 - **Average overtime hours.**
Read [employer guide 18, Reporting or Changing “Average Overtime,”](#) to learn about average overtime hours.
 - **Hire date.**
Learn more in [employer guide 7, Reporting a New Employee](#).
 - **Status code.**
Find definitions in [Status Codes quick-reference guide](#).
 - **Position type.**
Learn about changing qualifying to non-qualifying in [employer guide 9, Reporting Wages for a Qualifying Employee](#). Learn about changing non-qualifying to qualifying in [guide 10, Reporting Wages for a Non-Qualifying Employee](#).

5. Be careful how you fill in certain fields.

- ☆ **Do not use a negative sign** (e.g., a hyphen) to indicate a subtraction. The negative-adjustment wage code tells EDX to subtract the amount.
- ☆ **Enter the same pay date** as the original record(s) requiring adjustment. This allows EDX to match the adjustment to the original posted data.
- ☆ **Local government employers:** Use the same Work Period Begin Date and Work Period End Date as the original record.
- ☆ If adjusting subject salary for a qualifying position, make sure to **adjust the Individual Account Program (IAP) contribution also** (MPAT, MPPT, EPPT). The amount is equal to 6% of any salary that you are adding or subtracting that is subject to PERS contributions.
- ☆ When adjusting salary by entering data in one or more of the following fields, make sure to also enter the sum in the **Gross Salary field**:
 - Subject Salary, Regular.
 - Subject Salary, Overtime.
 - Non-Subject Salary.
 - Lump-sum Payoff.
 - Lump-sum Vacation Payoff.
- ☆ To adjust the **Optional Employer Matching Contributions** amount or member **P&F units**, you must **fully** reverse the original record and submit a new record with the correct information (see the section “Reversing the Entire Effect of a Record”).

6. Ask for help.

- ☆ If you need help with an adjustment record, contact the [Employer Service Center](#).

Wage-code correction quick-reference table

Record posted with this wage code	Can be corrected/reversed with this wage code	For this qualification status
01 - Regular Qualifying Wage	06 - Negative Adjustment	Qualifying
02 - Regular Non-Qualifying Wage	14 - Negative Adjustment/ No Contributions	Non-qualifying
04 - Retroactive Wage	06 - Negative Adjustment	Qualifying
05 - Positive Adjustment	06 - Negative Adjustment	Qualifying
07 - Disability Retirees Service Retiree Wages prior to 01/01/2020	14 - Negative Adjustment/ No Contributions	Retiree
08 - Contributions/No Service	06 - Negative Adjustment	Qualifying
11 - USERRA Wage	16 - Negative Adjustment - USERRA Wages	Qualifying
17 - Service Retiree Wage-ER Rate	18- Negative Adjustment Retiree Wage - ER Rate	Qualifying

Reporting a positive adjustment

Wage codes

A positive adjustment adds to hours, salary, and/or contributions that you already reported. There is only one positive-adjustment wage code, which is only used to add hours to a qualifying position. For other positions or situations (non-qualifying, working retiree, or settlement), use the wage code listed below.

How to use wage codes

For whom you are correcting a record	Wage code on original record	Wage code on adjustment record	Explanation
Employee in qualifying position	01	05	Use wage code 05 to add hours and salary to a qualifying position (and contributions, if employee has achieved membership).
Employee in non-qualifying position	02	02	Use wage code 02 to add wages/hours to a non-qualifying position. Submit a new record with same date, same wage code, and only the additional salary and hours.
Working PERS retiree	17	17	Use wage code 17 to add wages and hours to a working retiree position. Submit a new record with same date, same wage code, and only the additional salary and hours.
Employee receiving a retroactive payment granted by a legal order	N/A	04	PERS will instruct you on how to report the payment based on the court order or settlement agreement.
Employee receiving a retroactive payment from a past clerical error	N/A	04	Report like regular wages except for the 04 wage code.

How to make a positive adjustment

1. In a Demographics and Adjustment report, create a new Detail 2 Wage and Service record.
2. Fill in the record with the same information as the original record **except**:
 - Use wage code 05 – Positive Adjustment to add missing wages or increase regular or overtime wages for a qualifying position — that is, wages originally reported with wage code 01. If not adding wages to a 01 record, use the same wage code as the original record.
 - Include *only* the hours, wages, and/or contributions (if applicable) that you are adding to the previous record. If you are adding wages to a 01 record, remember to include 6% of the additional wages in the appropriate IAP field.

Example of positive adjustment for qualifying position

Employer Reporter MaryJo discovered she did not report eight hours of overtime that employee Howard Johnson worked, and was paid for, in February. MaryJo fills out a Detail 2 record with the information below. Note which fields are required (some will auto populate).

Field	Example	Notes
SSN	111223333	Required.
First Name	Howard	Required.
Last Name	Johnson	Required.
Pay Date	02/28/2025	Required. Must match the date reported on the original record.
Hours Worked (Regular)	0	Enter 0 or leave blank to indicate no adjustment.
Hours Worked (Overtime)	8	Required. These are the hours understated in original posted record.
Reported Wage Code	05 – Positive Adjustment	Required.
Subject Salary, Regular	0.00	Enter 0 or leave blank.
Subject Salary, Overtime	140.00	Required. Salary amount understated in the original posted record.
Non-Subject Salary	0.00	Enter 0 or leave blank.

Continued

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Field	Example	Notes
Gross Salary	140.00	Required. Gross salary is the sum of all salary being added: subject salary, non-subject salary, lump-sum payoff, and lump-sum vacation payoff.
Lump-sum Payoff	0.00	Enter 0 or leave blank.
Lump-sum Vacation Payoff	0.00	Enter 0 or leave blank.
Member Paid After-Tax Contribution (MPAT)	0.00	Enter 0 or leave blank.
Member Paid Pre-Tax Contribution (MPPT)	8.40	Required. Howard's position is qualifying. MPPT is Howard's IAP contribution type. Amount must equal 6% of the additional salary entered.
Unit Contribution	0.00	Enter 0 or leave blank.
Employer Paid Pre-Tax Contribution (EPPT)	0.00	Enter 0 or leave blank.
Optional Employer IAP Percentage	0	Enter 0 or leave blank.
Optional Employer IAP Contribution	0.00	Enter 0 or leave blank.

Reporting a negative adjustment

You need to make a negative adjustment when salary posted in a Detail 2 Wage and Service record was overstated or was reported in the wrong field. You can also post a negative adjustment record to remove a record that should not be there for whatever reason.

The process is to submit a Detail 2 Wage and Service record that is identical to the original record except for the negative-adjustment wage code. That record cancels, or “backs out” the original record. After that report posts, create a new Detail 2 Wage and Service record that has the same date as the original record and the correct data as it should have been reported originally.

Wage codes

Unlike positive adjustments, for which there is just one wage code, negative adjustments have four wage codes. The wage code you choose depends on the wage code you used in the original record.

If original reported wage code was	Back out the record with this wage code
01 – Regular Wages	06 – Negative Adjustment
04 – Retroactive Payment	
05 – Positive Adjustment	
08 – Contributions/No Service	
02 – Regular/Non-Qualifying	14 – Negative Adjustment No Contributions
07 – Retired/No Contributions	
11 – USERRA Qualifying Wages	16 – Negative Adjustment - USERRA Wages
17 – Retiree Wage – ER Rate	18 – Negative Adjustment Retiree Wage – ER Rate

SUBMITTING ADJUSTMENT RECORD

How to use negative-adjustment wage codes

For whom you are correcting a record	Wage code on original record	Wage code on adjustment record	Explanation
Employee in qualifying position	01	06	<p>The adjustment wage code backs out the salary, hours, and contributions on a qualifying wage record.</p> <p>Correct the error(s) by submitting a new record with wage code 05.</p>
Employee in non-qualifying position	02	14	<p>The adjustment wage code backs out the salary and hours on a non-qualifying wage record.</p> <p>Correct the error(s) by submitting a new record with wage code 02.</p>
Employee who received a retroactive payment from a court order or settlement	04	06	<p>The adjustment wage code backs out the retroactive payment.</p> <p>To correct the payment, submit a corrected payment record with wage code 04.</p>
Employee who has returned from USERRA-qualifying military leave	11	16	<p>The adjustment wage code backs out the salary, hours, and contributions on a USERRA wage record.</p> <p>Correct the error(s) by submitting a new record with wage code 16.</p>
Working PERS retiree	17	18	<p>The adjustment wage code backs out the salary, hours, and contributions on a retiree wage record (this would be your employer-contribution-rate pension contribution only, no IAP).</p> <p>Correct the error(s) by submitting a new record with wage code 17.</p>

How to make a negative adjustment

1. In a Demographics and Adjustment report, create a Detail 2 record.

Note: The **report date** (not record date) must be later than the pay date you are trying to adjust or your record will suspend. You can use any unused report date that is after the pay date.

2. **To cancel all of the information in the record:** enter the exact same information as the original, erroneous record except for the wage code. Enter the appropriate negative adjustment wage code (see table on p. 11). Save the record.

To cancel some of the information on the original record: Fill in the new record with the same date as the original record and the appropriate negative adjustment wage code from the table on page 11. Enter only the data you want removed from the original record. Save the record.

Important Do not use a negative sign (-) in the negative adjustment record. The negative adjustment wage code tells EDX to treat the entered amount as a negative value.

3. To **completely replace** the original record: After the negative adjustment record posts, create a new Detail 2 record with wage code 05 - Positive Adjustment. Fill out the record as it should have been originally.

To **partially replace** the information in the original record: After the negative adjustment record posts, create a new Detail 2 record with the wage code shown in the table on page 12. Fill in only the data you need to replace.

SUBMITTING ADJUSTMENT RECORD

Example

Employer Reporter Jordan discovered that he had reported 164 regular hours, \$2,850 in subject salary, and \$171 in contributions (MPPT) in December for employee John Doe. John actually worked 154 hours and earned \$2,676.52, which equaled \$160.59 in contributions.

1. Fill out the negative adjustment record.

Jordan creates a Detail 2 negative adjustment record with wage code 06 and the original values entered in the incorrect record, as shown below. This will reverse the values Jordan includes in the negative adjustment record.

Screen field name	Example	Notes
SSN	000000000	Required.
First Name	John	Required.
Last Name	Doe	Required.
Pay Date	01/01/2023	Required. Must match the date reported on the original record you are adjusting.
Work Period Begin Date		Required if a date was entered in the original record.
Work Period End Date		Required if a date was entered in the original record.
Hours Worked (Regular)	164	Required if regular hours worked were reported in the original record. Equals total regular hours entered in the original posted record.
Hours Worked (Overtime)	0	Required if overtime hours were reported in the original record.
Reported Wage Code	06 – Negative Adjustment	Required.
Subject Salary, Regular	2850.00	Required if regular subject salary was reported in the original record. Equals total regular subject salary entered in the original posted record.
Subject Salary, Overtime	0.00	Required if overtime salary was reported in the original record.
Non-Subject Salary	0.00	Required if non-subject salary was reported in the original record.

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Gross Salary	2850.00	Required. Gross salary equals the sum of subject salaries, non-subject salary, lump-sum payoff, and lump-sum vacation payoff.
Lump-sum Payoff	0.00	Required if lump-sum payoff was reported in the original record.
Lump-sum Vacation Payoff	0.00	Required if lump-sum vacation payoff was reported in the original record.
Member Paid After-Tax Contribution (MPAT)	0.00	Required if MPAT contributions were reported in the original record.
Member Paid Pre-Tax Contribution (MPPT)	171.00	Must equal 6% of total subject salaries (regular and overtime) entered.
Unit Contribution	0.00	Required if unit contributions were reported in the original record.
Employer Paid Pre-Tax Contribution (EPPT)	0.00	Required if EPPT contributions were reported in the original record.
Optional Employer IAP Percentage	0	Required if optional employer matching contributions were reported in the original record.
Optional Employer IAP Contribution	0.00	Required if optional employer matching contributions were reported in the original record.
PERS Job Class Code		Required if a PERS job class code was reported in the original record.
Employer Site Distribution Code		Required if an employer site distribution code was reported in the original record.
Non PERS Data Memo		Required if information was reported in the original record.

SUBMITTING ADJUSTMENT RECORD

2. Create the new, corrected record.

Jordan creates a new Detail 2 record with the correct information. He uses the 05 wage code to tell EDX that he is replacing the entire wage record.

Screen field name	Example	Notes
SSN	000000000	Required.
First Name	John	Required.
Last Name	Doe	Required.
Pay Date	01/01/2023	Required. Must match the date reported on the original record.
Work Period Begin Date		Required if a date was entered in the original record.
Work Period End Date		Required if a date was entered in the original record.
Hours Worked (Regular)	154	Total actual regular hours worked that should have been reported in the original record.
Hours Worked (Overtime)	0	Required if overtime hours were reported in the original record.
Reported Wage Code	05 – Positive adjustment Wage	Required.
Subject Salary, Regular	2676.52	Actual regular subject salary that should have been reported in the original record.
Subject Salary, Overtime	0.00	Required if overtime salary was reported in the original record.
Non-Subject Salary	0.00	Required if non-subject salary was reported in the original record.
Gross Salary	2676.52	Gross salary equals the sum of subject salaries, non-subject salary, lump-sum payoff, and lump-sum vacation payoff.
Lump-sum Payoff	0.00	Required if lump-sum payoff was reported in the original record.
Lump-sum Vacation Payoff	0.00	Required if lump-sum vacation payoff was reported in the original record.

SUBMITTING ADJUSTMENT RECORD

Member Paid After-Tax Contribution (MPAT)	0.00	Required if MPAT contributions were reported in the original record.
Member Paid Pre-Tax Contribution (MPPT)	160.59	Must equal 6% of total subject salaries (regular and overtime) entered.
Unit Contribution	0.00	Required if unit contributions were reported in the original record.
Employer Paid Pre-Tax Contribution (EPPT)	0.00	Required if EPPT contributions were reported in the original record.
Optional Employer IAP Percentage	0	Required if optional employer matching contributions were reported in the original record.
Optional Employer IAP Contribution	0.00	Required if optional employer matching contributions were reported in the original record.
PERS Job Class Code		Required if a PERS job class code was reported in the original record.
Employer Site Distribution Code		Required if an employer site distribution code was reported in the original record.
Non PERS Data Memo		Required if information was reported in the original record.

Reversing the effect of a record

There may be cases when you need to use an adjustment record to reverse the entire effect of a posted Detail 2 Wage and Service record without replacing the record with a new record. You may receive an error message or need to reverse an entire record if you:

- Submit duplicate records in error.
- Adjust Optional Employer Matching Contributions for IAP (percentage and amount).
- Need to move an amount that was reported in the wrong field.

Instructions

1. Create a new Detail 2 record in a different report than the one containing the posted record you want to reverse.
2. Make sure all data fields, including Pay Date, Work Period Begin Date, and Work Period End Date, are entered exactly as they were in the original posted record with the exception of Reported Wage Code. See the table on p. 11 for the reported wage code to use. Save record.
3. Do not create a replacement record.

Correcting data entered in the wrong field of a record

If a posted Detail 2 Wage and Service record has data reported in the wrong field, you need to submit two separate records to effectively move the data to the correct field.

- 1** Create a Detail 2 negative adjustment record (in a different report than the one containing the problem record) that fully reverses the problem record.
- 2** Create a new, separate Detail 2 record with the information in the correct field. Make sure to use the original pay date (if still accurate).

Reporting a retroactive payment

A retroactive payment is one made to an employee pursuant to a judgment, administrative order, arbitration award, conciliation agreement, or settlement agreement that resolves a dispute or claim based on the employee's rights under employment or wage law or under a collective bargaining agreement.

If you need to report a court order, arbitration decision, or settlement agreement, send a copy of the agreement to your ESC account representative for review. They will instruct you how to report the retroactive payment according to the order or agreement.

For a single period

Create a Detail 2 wage and service retroactive payment record when you are paying wages now that apply to a past period and only if making the payment:

- To correct a clerical error (e.g., result of a mistake that caused an employee not be paid).
- Pursuant to an award by a court.
- By order of or pursuant to a conciliation agreement with an administration agency charged with enforcing federal or state law.

Retroactive payments are allocated to and deemed paid in the period in which the employee performed or would have performed the service. This means the pay date entered on retroactive payment records must be the pay date for the period in which the employee actually performed the work or would have performed the work.

For multiple periods

If a retroactive payment covers multiple periods, you must create a separate retroactive payment record for each affected period.

For example: In April, for an employer who reports monthly, the court orders a retroactive pay increase back to the beginning of the year. The payment is made April 30. Instead of creating a record with an April 30 pay date, the employer must divide the payment over the affected reporting periods and create retroactive payment records with pay dates of January 31, February 28, and March 31. They submit these records with the next possible report.

Wages that don't meet retroactive criteria

Wages paid in a period subsequent to when the employee performed the service that do not meet the above criteria are considered regular wages earned on the actual date of payment.

For example: A cost-of-living adjustment (COLA) increase back to the beginning of the calendar year, negotiated by regular collective bargaining, would not be entered as a retroactive payment. Though the COLA increase is paid currently and applies retroactively, it does not meet the other statutory criteria of retroactive payment; therefore, it would be treated as a regular payment and considered earned as of the date on the paycheck.

Retroactive payments as settlement agreements

Settlement agreements are reported as subject salary for qualifying PERS members. They are subject to both employee and employer contributions.

In some cases, retroactive payments are treated as subject salary when paid to an employee because of one of the following:

- Court order.
- Arbitration.
- Administrative order.
- Private settlement agreement.
- Collective bargaining agreement.

Subject salary includes the entire amount specified in the award as back wages. Settlement agreements sometime include portions that are not salary; only the amount considered salary is reported to PERS.

A conciliation agreement with an administrative agency charged with enforcing federal or state law that protects an employee's rights to employment or wages may be treated as subject salary.

Contributions on retroactive payments

For purposes of determining employee and employer contributions and to compute benefits, a retroactive payment is allocated to the period the work was actually performed or would have been performed when such a payment is a result of one of the following:

- Court order.
- Arbitration.
- Administrative order.
- Private settlement agreement.
- Collective bargaining agreement.
- Conciliation agreement.