

OREGON PERS

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those who serve Oregon

EMPLOYER NEWS

MAY
2022

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Rufous hummingbird

PERS offices are open

The PERS headquarters building in Tigard and the Oregon Savings Growth Plan office in Salem have reopened to the public.

PERS members are once again welcome to come to PERS to:

- Drop off a [form](#).
- Pay for [purchases](#).
- Fill out a [data verification form](#) (for members within two years of retirement).
- Meet one-on-one with a PERS staff member to [review your retirement application forms](#) (by appointment only for members within 90 days of retirement).
- Ask a question.



Presentations and education sessions that currently have a virtual option will continue to offer that option, and in-person options will soon be offered as well. New sessions will be posted on the PERS website on the [Tier One/Tier Two Education Presentations](#) and [OPSRP Education Presentations](#) webpages.

Employer Incentive Fund (EIF) update

Actuarial Services is pleased to announce that the EIF program will be able to match all employer payments on the waitlist from 2019-2020 EIF Cycle One. During the 2022 legislative session, the Oregon Legislature appropriated \$17.25 million in general funds to the EIF. When combined with the forecasted \$19.5 million in Sports Betting funding already expected, these funds will provide enough matching dollars to offer a match for each of the 44 waitlisted payments (some employers are on the list more than once).

Currently, PERS is modifying its existing administrative rule to allow the waitlisted employers to receive these additional funds. The rule will be presented for adoption at the May 27, 2022, PERS Board meeting. Until the rule is finalized, no funds may be distributed; however, all employers have been contacted.

Learn more on the [EIF webpage](#).

GASB reports posted

Find the latest GASB information on the **newly revised** [PERS Governmental Accounting Standards Board \(GASB\) webpage](#).

Take the annual survey

Annual Employer Satisfaction Survey is open May 1–31

Please take a few minutes to fill out PERS' Employer Satisfaction Survey and tell us how we can serve you better. Your feedback can directly inform improvements we make.

TAKE THE SURVEY

Or enter https://www.surveymonkey.com/r/2022_Employer_Satisfaction_Survey into your browser.

Did you know?

PERS staff analyze the feedback you give in the Employer Satisfaction Survey looking for areas of improvement. Past feedback has led directly to changes.

Feedback	Resulting change
It's hard to find information on the website	We asked for your input on a new website
We need more access to one-on-one help	We added more ESC staff
My employer statement is too hard to understand	We designed a new employer statement* (coming this summer)
I don't understand what goes into my rate	We created new guides about rates, UAL, pooling, & more*

*Also brought about by SB 1049

Calculating unused sick leave



The unused sick leave program, established by Oregon Revised Statutes (ORS) 238.350 and 238.355, has been around for nearly 50 years. However, confusion, incorrect calculations, and inconsistent reporting persist.

To help employers understand how to properly calculate an employee's unused sick leave hours, PERS has outlined the step-by-step process on the **newly revised** [Unused Sick Leave Calculation and Reporting webpage](#).

About the unused sick leave program

This program applies only to Tier One and Tier Two members who work for an organization that participates in the program. The program allows these employees to be compensated for a portion of their accumulated unused sick leave in the form of increased retirement benefits upon regular service or disability retirement.

Employer participation is optional, but once your organization begins the program, it cannot withdraw.

Continued

How the program affects Tier One/Tier Two benefits

Half of the value of a Tier One and Tier Two employee’s net unused sick leave hours will be included in the calculation of their final average salary. These additional hours increase their retirement benefits under the Full Formula and Formula Plus Annuity benefit calculations. The hours do not impact the Money Match calculation because final average salary is not a factor in this calculation.

OSPRP members

The program is not available to OPSRP employees. How their unused sick leave is handled upon termination depends on their employer’s policy. If the employer’s policy allows for unused sick leave to be “cashed out,” these funds are considered non-subject salary for PERS purposes (i.e., no employer contributions are due on that income).

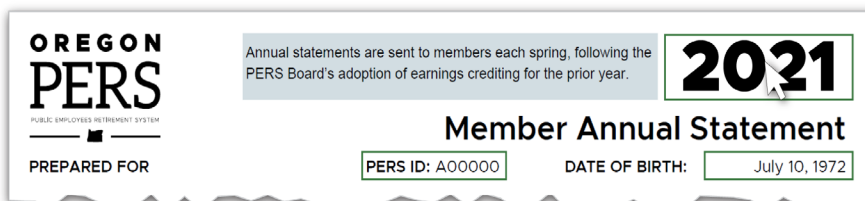
Unused sick leave hours are not used in the calculation of an OPSRP Pension benefit, but employers still need to fill in the Unused Sick Leave Hours field on the DTL1 Termination record. Employers should report “0” unused sick leave hours for OPSRP members terminating employment.

Learn more

To find out if your organization has elected to participate in the unused sick leave program or to request to participate in the program, contact your [ESC representative](#). Access step-by-step reporting instructions on the [Unused Sick Leave Calculation and Reporting webpage](#).

2021 member annual statements on their way in May

Member annual statements for 2021 will be mailed by the end of May. Each individual member statement shows that member’s progress toward building their PERS retirement package.



Understand your statement

To better understand each section of the statement, check out one of the interactive example statements on the PERS website.

Interactive statement	Intended for these members
Tier One Interactive Example Statement	Hired before January 1, 1996.
Tier Two Interactive Example Statement	Hired on or after January 1, 1996, and before August 29, 2003.
Tier Two “Zero Dollar Balance” Interactive Example Statement	Certain Tier Two members who were generally hired in the six months before August 29, 2003, are Tier Two members but do not have a Tier Two account balance. Their contributions began after January 1, 2004, when contributions only went into the IAP.
OSPRP Interactive Example Statement	Hired on or after August 29, 2003.

Continued

Questions or concerns

If your employees or coworkers have questions about their statement, learn more at one of these FAQ webpages:

[Tier One/Tier Two FAQ](#)

[Alternate Payee FAQ](#)

[OPSRP FAQ](#)

[Judge FAQ](#)

[P&F FAQ](#)

[Loss of Membership FAQ](#)

[IAP FAQ](#)

The information provided on each statement is based on the information reported to PERS by employers.

If employees notice incorrect demographic information on their statement, like their name, address, or birthdate, they should point this out to their HR or benefits department (whichever reports information to PERS).

If your employees have questions about their PERS accounts or retirement benefits, have them call or email [PERS Member Services](#).

How to report bonuses for school employees



House Bill 4030 Section 7, adopted in 2022, provides grants for schools to offer bonuses for recruiting, retaining, or rewarding teachers and other employees in high-need specialties.

If one of your employees receives a bonus, here is how to report it to PERS.

- If it is a hiring bonus awarded **before** the employee is hired, it **does not** need to be reported to PERS.
- If it is awarded to an existing employee who is a **member** of PERS, it is reported as **subject salary**.

Learn more

A bonus is defined as a “gratuitous payment in addition to regular salary or wages.” A bonus that is made to an employee is subject salary if it is paid to remunerate the employee for services rendered to the public employer. A bonus that is made for other reasons, such as a retirement incentive bonus payment or a severance payment, is not subject salary.

For a list of different types of payments that are considered subject salary, go to the [Chapter 238 Tier One/ Tier Two and OPSRP Pension Program Payment Categories chart](#).

To read the bill, go to [HB 4030](#) and scroll to Section 7.