OREGON
PERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

16

Reporting a
Retirement

Employer Reporting Guide

This guide explains the retirement process, how to help employees prepare for retirement, and how to report an employee's retirement to PERS.

**Employer
Service
Center**

Contents

April 2024

Overview

This guide is intended to help employers explain PERS retirement to their employees. It explains the benefits provided by a PERS retirement, how to earn PERS benefits, factors that affect the amount of benefits, when PERS members are eligible to retire, and benefits available after retirement. Lastly, it explains how to report an employee's retirement to PERS and the programs available to retirees.

The guide is separated into four parts.

PART 1 defines PERS retirement benefits, factors that affect the amount of benefits earned, how pensions are calculated, and eligibility for normal, early, and disability retirement.

PART 2 explains what employees need to know about PERS throughout their career, from starting as a new employee, through life changes, and finally to applying for retirement.

PART 3 explains how to report an employee's retirement to PERS.

PART 4 explains options available to PERS members after retirement.

Throughout the guide, you will find links to other resources that provide more detail about the different aspects of PERS retirement.

You can find more information about helping employees understand PERS on the Overview of PERS Benefits for Your Employees webpage.

| PART 1 | Helping employees understand PERS retirement |

The PERS retirement package

Note: Only qualifying positions earn PERS benefits.

1	Pension

What it is: A defined benefit that can provide payments for life. Payment size is based on a formula described in the next section, "Factors That Affect Retirement Benefits."

How it's funded: The contributions you, the employer, have paid on the employee's salary throughout their career fund some or all of a member's pension. Earnings on an employer's PERS pension account (called reserve account) and the money in an employee's Employee Pension Stability Account (EPSA), if applicable, may also help fund the pension.

How retiree receives it: Monthly payments from PERS for life. The amount of those payments depends on factors in "How Pensions Are Calculated" in this guide.

How to estimate it: Employees can create an estimate in Online Member Services (unless they've been divorced; OMS is not currently able to account for divorce). Two years before retirement, employees can request a customized estimate from PERS.

Learn more: Read employer reporting guide 1, *Overview of PERS,* and About the PERS Pension webpage.

2	Individual Account Program (IAP)

What it is: A defined contribution program that provides an individual account into which the employee or employer or both contribute.

How it's funded: Each pay period, 6% of a qualifying employee's gross salary* is deducted from their pay and deposited into their IAP account. Investment earnings also add value (and any losses reduce value).

How retiree receives it: At retirement, PERS members can roll over their IAP balance into a traditional individual retirement arrangement (IRA), an eligible employer plan, a 457 deferred compensation plan (such as the Oregon Savings Growth Plan), or another qualified plan. They can also choose to receive their IAP account balance as a lump-sum payment or in equal installments over 5, 10, 15, or 20 years, or over their expected lifetime.

How to estimate it: Employees can use the IAP Balance and Installment Calculator to estimate their IAP distribution at retirement.

Learn more: Direct your employees to the What Is the IAP? webpage.

*Excluding special payments that do not qualify to earn benefits, called "non-subject salary."

Employee Pension Stability Account (EPSA)

Starting in 2020, the Member Redirect Program established Employee Pension Stability Accounts for every qualifying member. In every month when a member earns over the Member Redirect salary threshold, a portion of the employee's 6% IAP contribution is deposited into their EPSA. At retirement, the funds in this account help fund the employee's pension.

The amount of the 6% that is redirected from the member's IAP to their EPSA account depends on the member's PERS plan:

Tier One and Tier Two: 2.5% of subject salary redirected to EPSA; 3.5% into IAP.
Oregon Public Service Retirement Plan (OPSRP): 0.75% of subject salary redirected to EPSA; 5.25% into IAP.

Learn more on the EPSA Overview webpage.

Employees have the option to make up the redirected amount from their pay on a member after-tax deduction. This is called a **voluntary contribution**. Learn more on the How to Manage an Employee's Voluntary Contribution webpage.

3	Oregon Savings Growth Plan (OSGP)

What it is: A voluntary 457(b) deferred compensation plan available through the state of Oregon to public employees whose employers participate in OSGP.

How it's funded: Deductions from employee's pay. Employee can choose pre-tax or after-tax and select a percentage or a dollar amount.

How retiree receives it: Retirees have several choices for the type of investment account they receive, listed in the OSGP Investment Options guide.

Learn more: Refer your employees to the OSGP website.

If your organization does not currently offer this plan to employees, learn more about it on the OSGP employer website.

Factors that affect retirement benefits

Employees who work for a PERS-participating employer earn different PERS benefits based on their PERS plan, qualification status, and job classification.

PERS plan: Tier One, Tier Two, or OPSRP

PERS has three pension plans. The plan each member is in depends on when they were hired by a PERS-participating employer. Learn more about PERS plans in employer reporting guide 1, *Overview of PERS*.
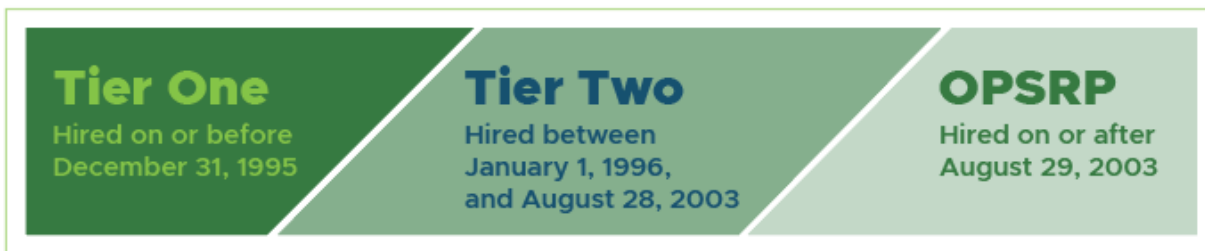
Qualification status

To earn PERS benefits, an employee must work in a qualifying position and be a PERS member. To be guaranteed a PERS pension, a member must be vested.

Qualifying vs. non-qualifying position

An employee generally must work at least 600 hours in a full calendar year to earn benefits. A position that requires at least 600 hours is called qualifying, and a position that requires fewer than 600 hours is called non-qualifying.

Note: Partial-year rules can allow a qualifying member to qualify for benefits when they work less than a full year and don't reach 600 hours. Learn more in quick-reference guide "Determining Qualification for a Partial Year."

If an employee is hired into a qualifying position but doesn't end up working 600 hours in a full calendar year, then the employee will not qualify for benefits that year. Same with a non-qualifying position — if an employee hired into a non-qualifying position ends up working 600 hours or more, they will earn benefits for that year (once they complete their wait time. See "wait time" on next page).

Also, an employee who works more than one non-qualifying position for one or more PERS-participating public employer(s) can qualify for benefits if their combined hours for their employers equal at least 600 hours. (once they complete their wait time.)

This is why it is important for employers to report hours — even for non-qualifying positions.

Learn more about qualifying and non-qualifying positions and what to do if an employee's qualification status changes in employer reporting guides 9, *Reporting Wages for a Qualifying Employee*, and 10, *Reporting Wages for a Non-Qualifying Employee*.

Wait time

To establish PERS membership, an employee must first serve a six-month wait time in a qualifying position. The wait time must meet these requirements:

- Work for the same employer for six months with no break longer than 30 consecutive days.

- On the first business day after the wait time ends, still be employed with the same employer.

- Work the six months in a year in which the employee qualifies for benefits.

To understand how wait time applies to a non-qualifying position, read employer reporting guide 10, *Reporting Wages for a Non-Qualifying Employee*, section "Changing From Non-Qualifying to Qualifying Status," subsection "Serving Wait Time."

Job classification

Within the three PERS plans, employees are assigned a job classification based on the type of job they have. There are eight job classifications, which are defined in employer quick-reference guide "EDX Job Class Codes."

Most PERS members are in the General Service, Police and Fire, or School Employee job classifications. Below is an overview of the different rules and benefits that apply to these job classes. For more detail, read employer reporting guide 1, *Overview of PERS*.

General Service

Employees who are not in a Police and Fire, School Employee, Judge, or other specialty job classification are in the General Service classification. For a definition of General Service job class, read employer quick reference guide, "EDX Job Class Codes."

Police and Fire

PERS members in the Police and Fire job classification are eligible to retire at a younger age and their pension is calculated at a higher rate than most other job classes.

To read who qualifies for Police and Fire job class, read employer quick reference guide, "EDX Job Class Codes."

School Employee

Service time for school employees and academic employees is determined in six-month segments. A school employee is considered to have worked all portions of a school year as long as they work at least 50 hours in each month of a school year when school is in session and do not have a leave without pay of 11 or more business days in a calendar month. Learn more about how school employees earn creditable service on the School Employees webpage.

Judges

Judges of the Oregon Supreme Court, Court of Appeals, Oregon Tax Court, and Circuit Courts are members of the PERS Judge Member Program.

Judges contribute 7% of their monthly salary to the Public Employees Retirement Fund to help pay for their future pension. The contributions are covered by the state through a 7% increase to their base salary. The contributions and earnings on the contributions are credited to the regular member account of the judge member.

Mandatory retirement age for judges is 75. To vest in the program, judges must make contributions for five calendar years before reaching 75. If they become a judge at an age (e.g., 71) that doesn't allow them to make five years of contributions before age 75, they won't be a member of the program.

For more information, refer to the Judge Member's Handbook.

Legislators

When a someone becomes a member of the Legislative Assembly, they can choose whether to participate in PERS during their term in office.

- Active and retired PERS members need to make their selection by submitting form 430B to their legislative employer within 30 days after taking office.
- Non-PERS members can choose whether to participate in OSGP by submitting form 430A to their legislative employer within 30 days after taking office.

Extra benefits for eligible Tier One/Tier Two members

Police and Fire "units"

The Police Officer and Firefighter (P&F) Units program was created to provide additional retirement income for P&F retirees during the gap between PERS retirement age and full retirement age under Social Security.

The P&F Units program is open only to Tier One and Tier Two members who are actively employed as a police officer or firefighter as defined in Oregon Revised Statute 238.005. They must have completed their wait time and established active membership.

OPSRP Pension Program Police and Fire members are not eligible to participate in the P&F Units program.

For more information, you can direct your employees to the Police and Fire unit benefits webpage.

Unit payment options

An eligible Tier One/Tier Two Police and Fire active member may purchase up to eight P&F units. The total member cost to purchase eight P&F units is $4,000. P&F units may be purchased by:

- An after-tax payroll deduction while the member is employed in a Police and Fire qualifying position.

- A lump-sum payment to fund the difference between an existing P&F unit account balance and $4,000, made within 60 days of retirement from a Police and Fire qualifying position.

- If the member is under 60 years of age, a $4,000 lump-sum payment, made within 60 days of retirement from a Police and Fire qualifying position.

How to sign up for units

Police and Fire Tier One/Tier Two employees can purchase units as an after-tax payroll deduction or as a lump sum. The form your employee fills out to participate in the program depends on how they are paying.

Paying by payroll deduction:

1. Employee completes the P&F Unit Purchase form.

   - If they are new to the program, they fill out sections A and B and skip section C.

   - If they stopped purchasing units and are signing up to resume, they fill out sections A and C and skip section B.

2. Turn the form in to their Human Resources or payroll department. The responsible party enters the organization's employer number, signs and dates the form, and then sends it to PERS Employer Service Center by email (PERS.EDX.Support@pers.oregon.gov) or fax (503-598-0561).

Police Officer and Firefighter (P&F) Unit Purchase

This form is strictly for PERS Tier One/Tier Two Police and Fire members. Contact PERS for an estimate of unit purchase cost.

Section A: Applicant information (Type or print clearly in dark ink. Illegible forms may be returned to applicant. This could delay your request.)

First name		MI	Last name			Social Security number (SSN)*
Mailing address (street or PO box)						PERS number (optional)
City		State	ZIP code	Country		Date of birth (mm-dd-yyyy)
Home phone number	Work phone number			Cell phone number		Email

Fill out either Section B: unit election or Section C: Resumption of unit contributions.

Return this form to your payroll office, and instruct the payroll personnel to complete Section D and forward your form to PERS.

Section B: Unit election

☐ I elect to begin making contributions to purchase P&F units.

Only PERS Tier One/Tier Two P&F members may make this election. OPSRP members are not eligible to make P&F unit purchases.

I confirm that I am an active PERS Tier One/Tier Two P&F member eligible to purchase units. I elect to purchase the number of units indicated below. I understand I cannot adjust the number of units purchased after making this initial election.

Check the number of units you would like to purchase.

☐1 ☐2 ☐3 ☐4 ☐5 ☐6 ☐7 ☐8

I authorize my employer to withhold and remit to PERS the calculated monthly contribution as a payroll deduction.

I am employed by _____

_____   _____
Employee signature (do not print)   Date

Section C: Resumption of unit contributions

☐ I elect to resume making contributions to purchase P&F units.

I previously made an election to purchase P&F units and wish to resume making contributions.

I elect to resume unit contributions with my current employer: _____.

I authorize my employer to withhold and remit to PERS the calculated monthly contribution as a payroll deduction.

_____   _____
Employee signature (do not print)   Date

Section D: Employer confirmation

I confirm this employee is eligible for unit contributions. Employer number _____.

_____   _____
Employer signature (do not print)   Date

PERS' role in units purchasing

Upon receipt of the unit purchase form, PERS reviews the member's eligibility to purchase P&F units. If the member is eligible, PERS will calculate the after-tax payroll deduction required to purchase the number of units chosen by the member. The monthly P&F unit account deduction/contribution is based on the member's age when beginning P&F Unit program participation so that the amount totals $4,000 by retirement age.

PERS emails the paycheck deduction amount to the employer.

Employer's role in units purchasing

After you receive the e-mail notification from PERS, set up a payroll deduction to withhold the specified amount from the employee's after-tax pay. You will pay that amount to PERS by including it in the employee's subject salary on their Detail 2 wage records.

Paying by lump sum at retirement:

1. Employee completes the P&F Unit Purchase Election at Retirement form.

   - Check the box for purchasing all eight units or for paying the remaining balance.

2. Employee includes the form with their retirement application packet.

Police Officer and Firefighter Unit Purchase Election at Retirement

This form is strictly for the Tier One/Tier Two program. Call PERS or visit our website if this is not the form you need.

Section A: Applicant information (Type or print clearly in dark ink. Illegible forms may be returned to applicant. This could delay your request.)

First name	MI	Last name	Social Security number*

PERS number (optional)

Section B: Important unit purchase information: READ CAREFULLY

As a police officer and firefighter (P&F) member of the Public Employees Retirement System (PERS), you may elect to make additional contributions to purchase up to eight units of additional benefits.**

- Each unit purchased provides a $20 monthly benefit paid by PERS for up to 60 months—$10 from your contributions and $10 from employer contributions.
- You may purchase the units in a lump-sum payment within 60 days prior to your service retirement date if you are less than age 60.
- You may make a final payment of the total amount required to purchase the maximum eight units.
- You must be actively employed in a PERS-covered P&F position to be eligible to make this purchase.

** Only P&F members of the PERS Chapter 238 Program (Tier One and Tier Two) may make this election for units. No unit election for the Oregon Public Service Retirement Plan (OPSRP) program is available.

Section C: Unit purchase

To make the unit purchase, return this signed form with a check payable to PERS. This form should accompany your Service or Disability Retirement Application.

☐ I wish to purchase the maximum eight units of additional benefits. I have enclosed my check in the amount of $4,000.

☐ I wish to pay the remaining balance for eight units of additional benefits. I have enclosed my check in the amount of $ _____. The remaining balance was calculated based on continued payroll deduction of unit contributions through _____ 1, _____ with a unit benefit effective date of _____ 1, _____. (Month) (Year)
(Month) (Year)

Any changes in the date of last payroll deduction or in your anticipated unit benefit effective date may result in a different purchase cost.

Section D: Applicant signature

_____   _____
Applicant signature (do not print)   Date

_____
Applicant (print)

How PERS prevents large pensions

The Oregon Legislature has put in place protections to shield employers from having to fund overly generous — and expensive — pensions. Employees who may be potentially affected should be aware of these limitations.

Salary Limit

Every year, Salary Limit places a limit on the amount of salary that can be included in a member's subject salary. This means that the employer does not pay pension contributions on salary earned over the year's limit. This protects employers from having to fund large pensions for high earners.

The limit is updated every year to keep pace with inflation. The current year's limit is listed on the employer Salary Limit webpage.

How to know if an employee reaches the salary limit

If you submit a Detail 2 Wage and Service record for an employee that puts them over the salary limit for that calendar year, EDX flags the wage record with an error. To correct the record, subtract the overage from the Subject Salary (Regular) and/or Subject Salary (Overtime) field and enter it in the Non-Subject Salary field. If an employee reaches the limit before the end of the year, continue to report all their salary as non-subject through the end of that calendar year.

Learn more on the Salary Limit webpage.

Average Overtime Hours

When you report a new employee to PERS, the Detail 1 Member Demographics record requires you to choose a limit on the amount of overtime hours the position will be required to work in a year. Choose a number between 0 and 2,000 based on the type of position, not on the individual employee.

The number you choose sets a limit on the amount of overtime pay that can be included in the OPSRP employee's final average salary (FAS) for each year. It does not limit an employee's overtime pay nor option to work over that limit; it merely affects how much pay the PERS system will include for an OPSRP member when calculating that member's FAS for retirement purposes.

This prevents employees from working greater than usual amounts of overtime in their final three years to increase their pension, called "pension spiking." Learn more about average overtime in employer reporting guide 18, *Reporting or Changing 'Average Overtime.'*

How pensions are calculated

The table below shows the general equation that PERS uses to calculate an employee's pension. Their actual future pension will be affected by other factors (e.g., if they took a leave, if they purchased service time, or if they got divorced), but the equation helps employees get a rough estimate of their future pension.

Years of service and final average salary are explained on the next couple of pages.

Pension equation

Tier and job class	Pension equation
Tier One/Tier Two General Service	1.67% × years of service × final average salary.
Tier One/Tier Two Police and Fire	2% x years of service × final average salary.
OPSRP General Service	1.5% × years of service × final average salary.
OPSRP Police and Fire	1.8% × years of service × final average salary.
Judges (Plan B)	3.75% of final average salary x years of service as a judge up to 16 years of service + 2% of final average salary x years of service exceeding 16 years of service. The annual pension amount cannot exceed 75% of their final average salary.
Judges (Plan A)	2.8125% of final average salary x years of service as a judge up to 16 years of service + 1.67% of final average salary x years of service exceeding 16 years of service. The annual pension amount cannot exceed 65% of their final average salary.

Final average salary (FAS)

PERS calculates each employee's final average salary in two ways and chooses the largest result:

1 Employee's average gross salary* earned in their three highest earning calendar years (for Tier One/Tier Two) or highest earning consecutive calendar years (OPSRP).

2 Their average gross salary* earned over the last 36 months before their retirement date.

PERS uses whichever sum is larger.

FAS may also include **other income**, depending on the employee's PERS plan.

What counts as a month toward FAS?

A month of salary is included if the qualifying employee had at least one fraction of an hour of service in the month. This is even if the month had a period of leave without pay (LWOP). LWOP excludes a month from earning service credit, but it does not exclude it from being included in FAS.

Payments included in FAS

Tier One FAS	• Lump-sum payments for accrued vacation time and compensatory time. • About half of their unused sick leave if their employer participates in the Unused Sick Leave program (unless Money Match calculation is used). • IAP contributions paid by the employer (EPPT).
Tier Two FAS	• Lump-sum payments for compensatory time. • About half of their unused sick leave if their employer participates in the Unused Sick Leave program (unless Money Match calculation is used). • IAP contributions paid by the employer (EPPT).
OSPRP FAS	**FAS excludes —** • Lump-sum payments for accrued vacation time and compensatory time. • Unused sick leave. • IAP contributions.

Unused sick leave

Learn how to calculate unused sick leave in employer reporting guide 17, *Calculating Unused Sick Leave at Termination or Retirement*.

*Annual salary included in FAS is capped at the salary limit in effect for each year, listed on the Salary Limit webpage for employers.

Years of service/service credit

Years of service are the years and months the employee was an active member in a qualifying position. Generally, the total years of service sum **excludes the following**:

- Wait time for Tier One and Tier Two members.
- Calendar years when an employee did not work at least 600 hours and, thus, did not qualify for benefits.*
- Any months during which the employee took a leave without pay (LWOP) of at least 11 working days.

*Hours worked for different participating employers can be combined to total 600 hours. Also, in some instances, members can earn service credit for partial years with fewer than 600 hours. Learn more in quick reference guide "Determining Qualification for a Partial Year."

Effect of leave without pay

Normally, a month that includes 11 or more days of LWOP does not earn service credit. However, some types of leave are protected by law and do not affect an employee's service credit. These are:

- Legislative service.
- On loan to the federal government.
- Service in the Armed Forces of the United States.
- Disability.
- Union service.

Learn more in employer reporting guide 11, *Reporting a Leave*, "Service Credit" section.

Purchasing service time

Tier One and Tier Two members who qualify can buy "service time" (aka retirement credit). The purchase allows them to get credit for specified periods of employment. The types of purchases that each Tier One and Tier Two job class can purchase are listed below and on the next page.

General Service time purchases

- Forest Protective Association employees service.
- Forfeited service due to prior withdrawal.
- Full-cost purchase.
- Periods of disability full-cost purchase.
- Redeposit refunded time.
- Seasonal service time.
- Waiting time purchase.

Military service time purchases

- Military service time purchase.
- Alternate purchase of military service time.
- Military service under the Uniformed Services Employment and Reemployment Rights Act (USERRA).

Education purchases

- Out-of-state school service time.
- Special Teachers' Retirement Fund Association (TRFA) refund.

Police and Fire purchases

- Non-PERS police and fire service time.
- Out-of-state police service time.
- Wildland firefighter full-cost purchase.
- Unit purchase at retirement.

Trustee-to-trustee transfer to PERS for purchases

Any of the five types of purchases listed in this section can be made using pre-tax dollars from a 457 governmental-deferred compensation plan like the Oregon Savings Growth Plan (OSGP) or a 403(b) tax-sheltered annuity.

Trustee-to-trustee transfers can take months to complete so your employee should contact their financial institution well in advance of retirement.

For this type of purchase, employees need to fill out Form 623 Trustee-to-Trustee Transfer to PERS for Purchase in addition to the estimate request form linked below.

Purchase cost

The employee must pay PERS the cost of the additional retirement credit plus a $145 fee to cover administrative costs of processing the purchase. The purchase cost can be substantial, particularly if the purchase allows a member to retire before reaching normal retirement age.

Purchase application

If an employee is interested in purchasing service time, they must complete section G of the Tier One/Tier Two Estimate Request form. Check the "Other purchases/requests" box and enter one of the five service-time types listed above and on the previous page. The date to begin unit benefit payments is the employee's expected retirement date.

Section G: Purchases (Waiting time and refunded time are automatically included if you are eligible.)

☐ Police officer and firefighter unit purchase   Date to begin unit benefit payments: _____

☒ Other purchases/requests (Please provide the name of the purchase or the type of purchase.)

Out-of-state teaching service time purchase

Note: The final purchase cost is not determined until the employee actually retires. It could change substantially from the estimated cost. Learn more about purchases on the Tier One/Tier Two Purchases webpage.

Benefit payout options

Tier One and Tier Two members have 13 different options for receiving their pension benefit. OPSRP employees have five options for receiving their pension benefit. The option a retiree chooses affects the amount of their monthly pension payments.

Most options include a beneficiary. The age of the beneficiary and the amount of pension that the retiree chooses to leave them will affect the amount of the retiree's monthly benefit payment. For example, a retiree who chooses to have their beneficiary receive the same monthly pension payment that the retiree received will receive smaller pension payments than a retiree who chooses not to leave their pension to a beneficiary.

Prospective retirees are encouraged to meet with a financial advisor to choose the option that works best for their situation.

Examples of basic retirement calculations

Joe is an accountant for the Department of Transportation. He's a member of Tier Two.

- Joe's final average salary (average of the last three years): $65,000.

- Retirement credit: 30 years, 4 months (30.33).

- Convert 1.67% for ease of multiplication:
  1.67% ÷ 100% = 0.0167.

- 0.0167 × 30.33 × $65,000 = $32,923.22 per year.

- $32,923.22 ÷ 12 months = $2,743.60 per month in pension income.

Celia is a detective for the Lake Oswego Police Department. She is a member of OPSRP.

- Final average salary (three highest-paying years): $120,450.

- Retirement credit: 25 years, 8 months (25.67).

- Convert 1.8% for ease of multiplication: 1.8% ÷ 100% = 0.018.

- 0.018 × 25.67 × $120,450 = $55,655.13 per year

- $20,250 ÷ 12 months = $4,637.93 per month in pension income.

Notes: These examples don't account for actuarial factors that can affect the results.

For more information about retirement benefits for the different PERS programs, read the Benefit Component Comparisons webpage.

Creating an estimate

Pension

To get an estimate of their future PERS pension, employees first log in to Online Member Services.

On the main screen, look under Account Type and click <u>Member</u>.

ACCOUNT SELECTION

If you would like to access your IAP account information, please click on the following button:

IAP Account Access

If you would like to access your account information, please select an account below.

Account Plan	Account Type
OPSRP - Pension	Member

On the next screen, select Benefit Estimate from the menu on the left side.

- Account Home
- Account Summary
- Employment Information
- Service Credit Information
- Salary Information
- Profile
- Ask PERS a Question
- > Benefit Estimate
- Payment History
- Tax Forms
- Data Verification
- IAP Voluntary Contribution Election
- IAP TDF Information
- IAP Login

The member can then click the **Create New Benefit Estimate** button or view the estimate they created previously, if applicable.

The OMS system will generate an estimate based on the information the member provides and the salary information that the employer has provided up to that point.

IAP

Members can use the IAP Balance and Installment Calculator to estimate their IAP distribution at retirement.

OSGP

The OSGP website allows you to see how much your account will contain based on how much you contribute until your expected retirement date. You can change your contribution amount at any time. OSGP login.

Estimates of other Tier One/Tier Two accounts

Tier One and Tier Two members who have other accounts can view those amounts on their member annual statement.

Learn more on the Tier One/Tier Two Member Annual Statement FAQ webpage.

Retirement eligibility

To be eligible to retire, a PERS member must reach retirement age or work for at least 25 years. (Unvested members vest automatically at retirement age.) If they retire at normal retirement age, they receive full benefits. If they retire early, they receive reduced benefits.

The amount of retirement benefits a PERS retiree receives (i.e., the size of their pension payments and IAP distributions) is generally based on how long they worked (i.e., service time), how much they earned, and what payout options they choose when they retire (e.g., if they include a beneficiary option).

For an overview, employees can watch the "Retirement Eligibility" video.

Normal retirement eligibility

Normal retirement eligibility is based years of service time or age.

Normal retirement based on service time

"Service time" is the number of years and months in an employee's career for which they qualified to earn benefits. A month qualifies if the employee worked (or took paid leave, such as sick leave or vacation) at least half the business days in a month in a qualifying position. A calendar year qualifies if the employee worked at least 600 hours (or would have if they had worked the full year).

Employees who work in a PERS-qualifying position for at least 25 or 30 years can qualify for normal retirement at a younger age based on their service time. As shown below, a Tier One/Tier Two General Service or School Employee member can retire with full benefits at any age once they earn 30 years of service. OPSRP General Service and School members can retire with full benefits at age 58 if they have 30 years of service.

Tier One/Tier Two Police and Fire employees can retire with full benefits at age 50 if they have 25 years of service. OPSRP Police and Fire employees can retire at age 53 with 25 years of service.

Job class	Retirement age			PERS service time
	Tier One	**Tier Two**	**OPSRP**	
General Service and School Employee	any	any	58	30 years
Police and Fire	50	50	53*	25 years

For OPSRP members, employee's last 60 months of retirement credit preceding retirement eligibility must be for service as a police officer or firefighter to qualify for normal retirement at this age.

Normal retirement based on age

Employees who have been working in a PERS-qualifying position for less than 25 or 30 years qualify for retirement based on age. The age is different for each PERS plan.

Job class	Retirement age			PERS service time
	Tier One	Tier Two	OPSRP	
General Service and School Employee	58	60	65	Less than 30 years
Police and Fire	55	55	60*	Less than 25 years

For OPSRP members, employee's last 60 months of retirement credit preceding retirement eligibility must be for service as a police officer or firefighter to qualify for normal retirement at this age.

Early retirement eligibility

PERS members are allowed to retire at the younger ages listed below. However, retiring early means reduced benefit payments. This is because early retirees may not have as much service time, plus calculations consider that they may receive retirement benefits for a longer period than regular retirees.

Early retirement also adds restrictions on those who return to work for a PERS employer while continuing to receive their retirement benefits.

Early retirement based on age

An employee can qualify for early retirement once they reach the age in the table below. Remember that if they have at least 30 or 25 years of service time, their retirement is a normal retirement, not early retirement.

Job class	Age			PERS service time
	Tier One	Tier Two	OPSRP	
General Service and School Employee	55	55	55	Less than 30 years
Police and Fire	50	50	50*	Less than 25 years

For OPSRP members, employee's last 60 months of retirement credit preceding retirement eligibility must be for service as a police officer or firefighter to qualify for early retirement at this age.

Disability retirement eligibility

Applying for disability retirement (Tier One and Tier Two) or disability benefits (OPSRP) is different than applying for a regular retirement. For instructions, read employer reporting guide 14, *Disability Benefits*.

PART 2	Helping employees prepare for retirement throughout their careers

Once your employee becomes a PERS member, they can work almost their entire career without contacting PERS until they are ready to retire. While they work to serve the people of Oregon, their employer and PERS staff are working behind the scenes to secure their future retirement funds.

However, certain life changes necessitate contacting PERS to make changes to their PERS account, as shown in the illustration below (click the image to open a larger version). Informing PERS about life changes when they happen helps ensure a smoother retirement process.

The PERS member journey

PERS members prepare for retirement throughout their public service career. This section explains how to support them in each stage of their member journey.
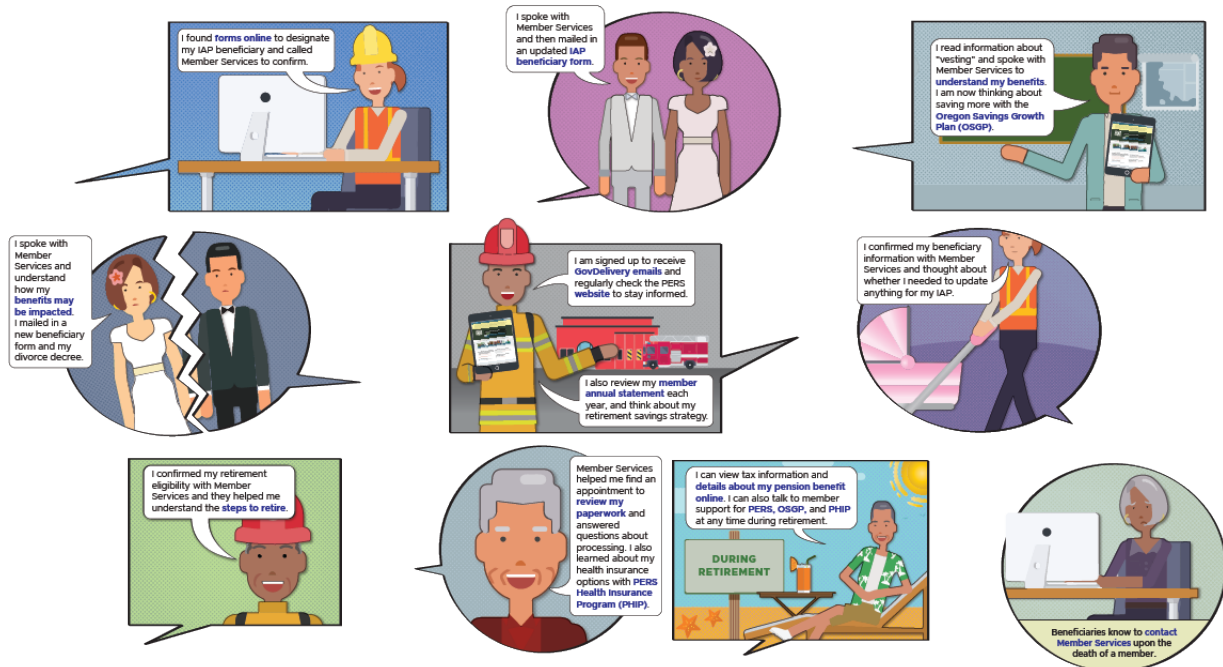
Click the image to open an enlarged view or go to https://www.oregon.gov/pers/MEM/Documents/Member-Journey_optimized.pdf.

Stage 1: new employee

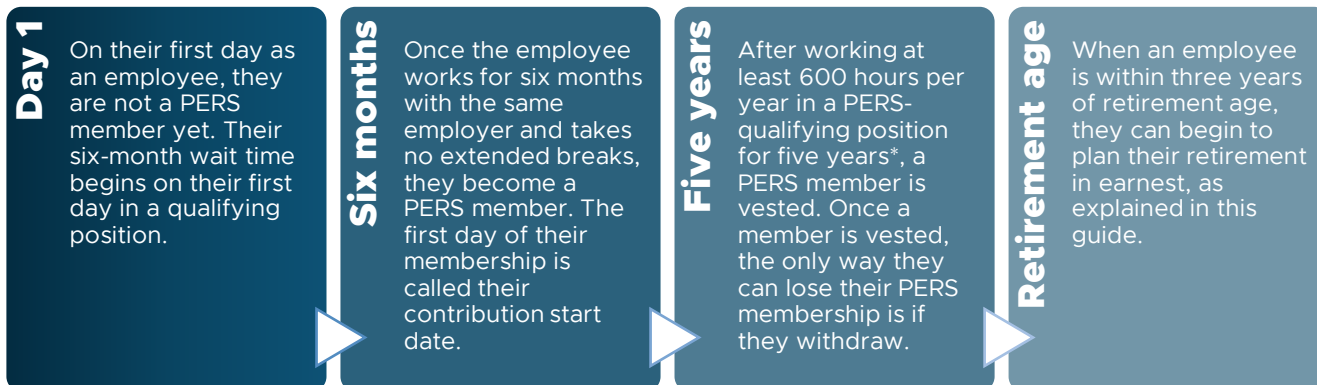The first task for new employees who are not yet PERS members is to understand the milestones they will pass on their path to earning and keeping their PERS benefits.

PERS career milestones for qualifying positions

You designate an employee's position as qualifying or non-qualifying when you hire them. A position is qualifying if it requires the employee to work at least 600 hours per calendar year.

Day 1	**Six months**	**Five years**	**Retirement age**
On their first day as an employee, they are not a PERS member yet. Their six-month wait time begins on their first day in a qualifying position.	Once the employee works for six months with the same employer and takes no extended breaks, they become a PERS member. The first day of their membership is called their contribution start date.	After working at least 600 hours per year in a PERS-qualifying position for five years*, a PERS member is vested. Once a member is vested, the only way they can lose their PERS membership is if they withdraw.	When an employee is within three years of retirement age, they can begin to plan their retirement in earnest, as explained in this guide.

*The years do not need to be consecutive, but the employee cannot have a gap in qualifying employment of more than five years. A PERS member can also vest by reaching normal retirement age.

Considerations for non-qualifying positions

An employee working more than one non-qualifying position can qualify for benefits if they work a total of 600 hours or more for all their PERS-participating jobs. When that happens, they must still work or have worked six months for one employer consistently (i.e., wait time) before they begin earning benefits. See the "Wait Time" subsection on page 9.

Learn more

To help your new employee understand their future PERS benefits, refer to these webpages. (PERS benefits are subject to change by the Oregon Legislature; therefore, the PERS website is your best source for up-to-date information.)

- Overview of the Oregon Public Service Retirement Plan (OPSRP).
- Overview of PERS Benefits for Your Employees.
- PERS member Early Career Checklist.

Stage 2: new PERS member

After six months of working in a qualifying position for the same employer, your employee becomes a member of the Oregon Public Service Retirement Plan (OPSRP). This milestone sets the following into motion:

- **You, the employer**, begin reporting Individual Account Program (IAP) contributions of 6% of the employee's salary on their wage records. Your organization will report the contributions as either employer-paid pre-tax, member paid pre-tax, or member-paid after-tax.

- **Your employee** begins earning the benefits they'll receive when they retire (i.e., if they work at least 600 hours/year in a qualifying position for PERS-participating employer(s) long enough to become vested).

- **PERS** begins charging your contribution rate on the employee's subject salary. The bill is provided in your EDX statement.

- **The Oregon Treasury**, under the direction of the Oregon Investment Council, invests your contributions as part of the Oregon PERS Fund, where it is subject to earnings and losses of the investment market.

Designating a preretirement beneficiary

It's important for new PERS members to designate a beneficiary in case they die before retirement.

- **Pension beneficiary for Tier One or Tier Two member:** Fill out the Preretirement Beneficiary Designation form and mail it to PERS.

- **Pension beneficiary for OPSRP member:** There is no form to designate a beneficiary for an OPSRP pension. By law, PERS may only pay a death benefit to a member's spouse or to any other person who is constitutionally required to be treated in the same manner as a spouse for the purpose of retirement benefits.

- **IAP beneficiary for all members:** IAP Preretirement Designation of Beneficiary Packet.

Signing up for an Online Member Services account

The Online Member Services (OMS) portal allows PERS members to generate an estimate of their future pension. They can also access employment details, salary history, and personal information. After they retire and begin receiving pension payments, OMS gives them access to their payment history, tax-withholding elections, and other retiree information. Learn how to sign up for OMS.

Signing up for a Voya account

The Individual Account Program is administered by a third party called Voya. To register for an online account to check the status of their IAP, direct employees to the Voya IAP website.

Signing up for the Oregon Savings Growth Plan (OSGP) (participating employers)

OSGP is a voluntary 457(b) deferred compensation plan available through the state of Oregon to employees whose employers participate in OSGP. Employees can learn more and sign up on the OSGP website. Employers can visit the OSGP employer site.

Receiving a member annual statement

Every spring, qualifying PERS members receive a statement showing the status of their PERS accounts and service time. PERS sends these by mail to the addresses you have entered in EDX for employees, so it is important that addresses be up to date by the end of February each year.

Learn more about member annual statements

General information: Member Annual Statements FAQ.

Tier One/Tier Two FAQ.

Oregon Public Service Retirement Plan (OPSRP) FAQ.

Individual Account Program (IAP) Only FAQ.

Judge Member Annual Statement FAQ.

Police Officer and Firefighter Unit FAQ.

Alternate Payee FAQ.

Getting help from PERS

The PERS Member Information Center is staffed with PERS experts who can answer members' questions.

By phone: 8:30 a.m. to 5 p.m. Monday–Friday, 888-320-7377 (toll free).

By email: Fill out the form on the Submit a Question webpage.

Stage 3: public service career

Estimating their future pension

At any point in their career, PERS members can get a rough estimate of how much their future pension payment might be.

To create an estimate, members need to log into their Online Member Services (OMS) account, click Account, and then choose Benefit Estimate from the menu. On the form, they enter their retirement eligibility date (the first of the month after they reach retirement-eligible age) and their expected annual salary percentage increase. The system calculates an estimate of their monthly pension payment.

Exception: If a member is divorced and their former spouse will be receiving a portion of their pension, they won't be able to estimate their pension in OMS. Instead, they need to request a written estimate from PERS by submitting Form 599 Estimate Request for a Member With a Divorce-Related Account.

Estimating their future IAP

To estimate their IAP distribution at retirement, members can use the IAP Balance and Installment Calculator.

Making sure they'll have enough for a comfortable retirement

PERS provides tools to help members estimate their future retirement benefits, but PERS cannot advise members on how much they will need for a comfortable retirement. Advise your employees to meet with a **financial adviser** to make sure they are saving enough for retirement. To learn more, go to the Important Information About Selecting a Financial Advisor webpage.

Stage 4: life changes

Marriage

When a member gets married, you only need to update their EDX account if they change their name and/or address. You can make either of these changes on a Detail 1 record. Choose a status code of 00 – No Change in Status and enter the new information. For a name change, choose Y in the Name Change Indicator field.

A Tier One/Tier Two member can update their pre-retirement death benefit beneficiary to their new spouse, if they choose; an OPSRP member's pre-retirement death benefit beneficiary is automatically their spouse. Learn more on the Marriage webpage.

Divorce

When a member gets divorced, their PERS benefits may be affected depending on the terms of their divorce. When your employee gets divorced, they need to submit a copy of their divorce decree and other authorized forms to PERS Divorce Unit. In addition, Tier One and Tier Two employees may want to change their beneficiary information if their divorce decree allows. Learn more on the members' Divorce webpage.

New child

When a Tier One/Tier Two member has or adopts a new child, they may want to update their beneficiaries. Learn more on the All About Beneficiaries webpage.

Name change

The employer reporter can change an employee's name by submitting a Detail 1 record. Choose a status code of 00 – No Change in Status, enter the new first and/or last name in the appropriate name field(s), and change the Name Change Indicator to Y.

Correction to date of birth or Social Security number

Only PERS can change this information in an employee's account. Submit a Demographic Correction Request (DCR). In the Comment box, ask PERS to update the employee's account and provide the correct data. Instructions for creating a DCR are listed in employer reporting guide 20, *Creating a Demographic Correction Request*.

Gender change

To change an employee's gender to male or female, submit a Detail 1 record. Choose a status code of 00 – No Change in Status and choose the new gender in the Gender field. To change an employee's gender to non-binary, submit a DCR to PERS. In the Comment box, request to have the employee's gender changed to Non-Binary/Other.

Disability

- **Tier One and Tier Two** members who are unable to work because of an illness or injury may be eligible for disability retirement.

- **OPSRP** members who are unable to work because of an illness or injury may be eligible for disability benefits.

Learn about disability retirement and benefits in employer reporting guide 14, *Disability Benefits*.

Withdrawal

PERS members who no longer work in public service may choose to withdraw their PERS membership. This includes withdrawing their IAP account, forfeiting their pension, and ending their PERS membership. Learn more on the Withdrawal/Inactive Member Information webpage.

Death

When an employee dies, a family member, caregiver, or employer must immediately notify PERS.

- Members can learn more on the When a PERS Member Dies webpage.

- Employers can learn more in employer reporting guide 15, *Reporting a Termination or Death*.

Stage 5: after a leave of absence

Leave without pay

Employees do not earn PERS benefits nor service time during a leave without pay. An LWOP does not need to be reported to PERS unless it consists of 11 or more business days in a calendar month. Employees should consult with their employer or with PERS Member Services to learn if they can avoid losing service credit because of an unpaid leave.

If you have questions about what is considered LWOP and what is not, read the LWOP Questions and Answers webpage.

Military leave

PERS members who take a leave for military service can earn service credit and retirement benefits under the federal Uniformed Services Employment and Reemployment Rights Act (USERRA). Learn more in employer reporting guide 12, *Military Leave,* or contact your ESC representative.

Stage 6: two years before retirement

Requesting a data verification

An employee who is within two years of retirement can request a data verification to ensure that the employment history information PERS has on record for them is accurate.

Your employee can read the process for requesting a data verification on the members' Data Verification webpage.

Member responsibilities

The member has 60 days after PERS provides the verification to dispute the accuracy of the data in the verification. If they find any discrepancies with their own records, they fill out the Additional Account Information form that was included with the report and return it to PERS along with any supporting documentation.

Employer responsibilities

The employer has 30 days after receiving a Data Verification Work List item to confirm or correct the employee's information. After 30 days, the employee's employment history is locked as posted. The process for completing the employer part of a data verification (including how to request an extension to the 30 days) is explained in the Questions About Reporting Special Circumstances FAQ, question 5.

Requesting a benefit estimate

Within two years before an employee becomes eligible to retire, they can request a written benefit estimate from PERS.

- Learn how it works on the Benefit Estimates webpage.
- Tier One/Tier Two employees can request a benefit estimate with the Tier One/Tier Two written benefit estimate form.
- OPSRP employees can request a benefit estimate with the OPSRP written benefit estimate form.

Getting ready for retirement

To ensure they are ready to retire, prospective retirees should follow the guidance in the preretirement guide for their PERS plan. Go to the Preretirement Guides webpage.

Stage 7: three months before retirement

Prospective retirees apply for retirement 90 days before their chosen retirement date. Their retirement date must be on the first of a month.

Notify their employer

Before applying, it's important that employees notify their employer or employers that they are applying for PERS retirement. It helps you, the employer, plan and complete the steps you need to take and also enables you to help guide them in the process.

Choose how to receive payments

One of the most important decisions your employees will make when they retire is which benefit payout option best fits their situation. Tier One and Tier Two employees have 13 different choices. In most cases, the payment option they choose can't be changed after 60 days from the date of their first benefit payment.

To understand retirement options, your employees can start with one of these videos:

"Retirement Options for Tier One/Tier Two Members" video

"Retirement Options for OPSRP Members" video

Prepare for taxes

PERS benefits are subject to federal taxes, regardless of where the retiree lives, and to Oregon state income taxes if they are an Oregon resident. A surviving beneficiary may owe state inheritance and federal estate taxes.

To learn how taxes will affect their retirement, your employee should read the Tax-Related Information webpage.

Choose a retirement beneficiary (if applicable)

PERS members can choose to have their pension payments paid to a beneficiary when they die. This option results in a reduced pension payment for the retiree.

Tier One and Tier Two: Tier One/Tier Two members may designate a specific person, charity, trust, or estate to receive all or part of their pension payments when they die. Some Tier One/Tier Two retirement options allow members to change their beneficiary after retirement. Learn more in the Tier One/Tier Two and Individual Account Program (IAP) Preretirement Guide.

OPSRP: OPSRP members may only leave their pension to their spouse unless their spouse agrees to a different beneficiary. OPSRP members cannot change their beneficiary after their effective retirement date unless the member divorces the spouse they were married to when they retired. Learn more in the OPSRP Pension Program and Individual Account Program (IAP) Preretirement Guide.

Fill out the retirement application

Employees should carefully consider the options they choose in the retirement application. They cannot change the options after their effective retirement date. OPSRP members and most Tier One/Tier Two members cannot change their beneficiary after their effective retirement date.

If a retiree applicant needs help making decisions about their PERS retirement, they can talk to their financial advisor. PERS Member Services can explain the questions on the form, but they cannot give advice.

Once the applicant has completed the form, they should attend a Retirement Application Assistance Session (RAAS) to ensure they have filled out the form correctly. This will prevent delays in processing their application.

Retirement application packets

- Tier One/Tier Two Retirement Application.
- OPSRP Retirement Application.

Considerations for Tier One and Tier Two members

The Tier One/Tier Two retirement application packet is extensive. One section of the form offers 13 options for receiving their retirement income. The Spousal Consent section requires a notary (PERS can notarize forms at a RAAS).

In addition to making decisions about their pension, IAP, and beneficiaries, Tier One and Tier Two members may also have a variable account and a member account, which is used to help fund their pension.

Tier One/Tier Two employees receive some benefits that OSPRP employees do not:
- They can retire earlier.
- They receive partial credit for their unused sick leave hours, which can increase their pension.
- They can purchase service time. Purchases are listed on the Tier One/Tier Two Purchases webpage.
- They have more options for designating a beneficiary for their pension.

About unused sick leave: Half of the value of a Tier One/Tier Two employee's capped net unused sick leave hours are 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.

For instructions on calculating the amount of unused sick leave that you will report on their termination record, read employer reporting guide 17, *Calculating Unused Sick Leave*.

Considerations for OPSRP members

The OSPRP retirement application packet is much shorter than the Tier One/Tier Two version because OPSRP employees have simplified options. For one, if they are married or have a registered domestic partner, their pension benefit may only be left to their spouse or partner unless they submit a notarized application signed by their spouse or partner consenting to a different option or beneficiary.

The most time-consuming section of the packet is the section pertaining to retirement options. Your employee must decide how they want to have their pension payments and IAP disbursements paid to their beneficiary when they die. The higher beneficiary payment they choose, they lower their pension payments are during their lifetime. All the options are explained starting on page 9 of the OPSRP Preretirement Guide.

Considerations for Police and Fire employees

Police and Fire employees can retire at an earlier age than other job classifications. Also, their pension is calculated using a higher benefit factor percentage multiplier than other job classifications.

Tier One/Tier Two Police and Fire employees also have the option to purchase units, which is explained in the "Extra Benefits for Eligible Tier One/Tier Two Members" section of this guide.

A police officer or firefighter may have additional retirement forms to complete.

Resources

- Tier One/Tier Two and Individual Account Program (IAP) Preretirement Guide.
- OPSRP Pension Program and Individual Account Program (IAP) Preretirement Guide.
- Retirement Application Assistance Session (RAAS) registration webpage.
- Resources for retiring members webpage.

Turn in the application

When they are finished filling out the retirement application, employees send their packet to PERS by mail, fax, or personal delivery.

Mail	PO Box 23700 Tigard, OR 97281-3700
Fax	503-598-0561
Deliver	11410 SW 68th Parkway Tigard, OR 97223
Questions	Member Information Services Phone: 888-320-7377 (toll free) Fax: 503-598-0561 TTY: 503-603-7766 Phone hours: Monday–Friday, 8:30 a.m.–5 p.m.

Stage 8: at retirement

When a PERS member retires, PERS takes all the wage and service data submitted by the retiree's employer(s) over the retiree's career and uses it to calculate their retirement benefits, as explained in section "How Pensions Are Calculated" in this guide.

Retiree responsibilities

Once PERS calculates the benefits, we send the retiree a **Notice of Entitlement** report that lists the information used to calculate their benefit amount, including employment history, calculation method, and beneficiary or beneficiaries.

The retiree has 240 days from the date of the Notice of Entitlement to verify the accuracy of the information and dispute any errors. To dispute information in the Notice of Entitlement, the retiree submits one of the forms linked below.

- Tier One/Tier Two dispute form
- OPSRP dispute form

They will receive their first pension payment within about three months. Disputing the information does not delay payments. However, if the dispute results in a lower pension benefit, PERS will invoice the retiree for overpayments.

Retiree newsletter: Retirees can stay up to date with PERS news by reading the PERS retiree newsletter, *Perspectives*. *Perspectives* is emailed three times a year. To ensure they receive *Perspectives*, retirees need to sign up for the PERS mailing list on GovDelivery.com.

Employer responsibility

To make changes to a recent retiree's pre-retirement account, contact your ESC representative to ensure you can still make changes. If it's past the 240-day deadline, you will not be able to make the changes unless they are required by one of the exceptions listed in employer announcement 104, "Deadline to Make Changes to a Retiree's Account."

PART 3 | Reporting a retirement

When you learn that an employee is retiring, you need to complete three steps to ensure that PERS has the correct information to process the employee's retirement benefits.

Because of confidentiality reasons, PERS cannot help a member resolve issues that result from an employer failing to complete these three steps. If they contact us about a delay of benefits and we determine the delay is due to missing or incomplete reporting, we will instruct the member to contact you.

Step 1: Verify records.

Run a Year-to-Date Wage and Contribution Summary report, as explained in employer reporting guide 24, *Running Reports*.

If the report shows any suspended records for the employee, correct and resave them.

Step 2: Report final wages.

Make sure to report wages and hours up to the employee's retirement date. There should be no hours reported past that date. Wait for the wage record to post before moving on to step 3.

Exception: If the employee is immediately rehired as a working retiree, report any wages earned on and after their retirement date as wage code 17 - Retiree Wages.

Step 3: Submit a Detail 1 record.

Status code

Use code 02 – Termination.

Report date

Submit the termination record a day or two after your employee's retirement date. The report date must be later than the employee's termination status date.

Termination status date

Members retire with PERS only on the first of any month, so the status date on the Detail 1 Member Demographics record should be the day before the member's first-of-the-month retirement date with PERS. If the employer is a local government employer, the work period end date on the last Detail 2 Wage and Service record for the retiring member must be the same as or earlier than the last day of service.

Example: An employee has chosen a July 1 retirement date. The status date can be no later than June 30. The last day of service can be no later than June 30.

If the status date is July 1 or later, the member cannot retire July 1. Their retirement date will default to the first of the next calendar month (i.e., August 1).

Unused sick leave

If an employer participates in the PERS Unused Sick Leave program, about half of the value of a Tier One/Tier Two employee's unused sick leave hours are reported in the Unused Sick Leave Hours field of the final termination record.

For instructions on calculating a Tier One/Tier Two employee's unused sick leave, read employer reporting guide 17, *Calculating Unused Sick Leave*.

If reporting for an OPSRP member or a non-participating employer, enter "0" in the Unused Sick Leave Hours field of the final termination record.

Filling out the record

SSN: Prefilled.

Status Code: 02 — Terminated

Status Date: Should be no later than the day before the member's first-of-the-month retirement date

Last Day Service: The last day the member worked or was on paid leave. Can be the same as or before the Detail 1 02 — Termination date, but never later than the termination date.

Name: Auto filled.

Address: In all capital letters.

Continued

ADD/EDIT A MEMBER RECORD

The status of this member record is: **Added**

DETAIL 1 - MEMBER DEMOGRAPHICS:

SSN	•••••••••
Status Code	02 - Terminated
Status Date	05/31/2023 (MM/DD/YYYY)
Last Day Service	05/26/2023 (MM/DD/YYYY)
Old SSN	
First Name	JOE
Last Name	EMPLOYEE
Middle Name	
Name Change Indicator	N
Address - 1	1234 FIRST ST.
Address - 2	
Address - 3	
City	OREGON CITY

Address (continued)

State	OREGON
Zip - 1	97045
Zip - 2	
Province	
Country Code	USA
Postal Code	

Date of Birth: auto filled

Job Class Code: the job code of their current job

Unused Sick Leave Hours: See employer reporting guide 17, *Calculating Unused Sick Leave Hours at Termination or Retirement*.

The **remaining fields** may be left blank.

Date Of Birth	07/01/1958
	(MM/DD/YYYY)
Gender	
PERS Job Class Code	01 - General Service
Average Overtime Hours	
Unused Sick Leave Hours	400
Contract No. of Months	00
Employer Site Distribution Code	
Non PERS Data Memo	

Save Cancel

PART 4 | After retirement

Adding wages or changing data after retirement

Immediately after retirement

After your employee retires and you submit their final wages and termination record, you may continue to report any additional final wages for up to 30 days after the status date on their termination record. Past that 30-day deadline, you can no longer post wages to their account. If they are working for you as a retiree, you must hire them as a retiree and report their wages as retiree wages, as explained in employer reporting guide 8, *Hiring a PERS Retiree*.

Within 240 days after Notice of Entitlement

Retirees may dispute the accuracy of information used to calculate their retirement benefit within 240 days of the date PERS sends their Notice of Entitlement letter or the issued date of their first actual benefit payment, whichever is later. If PERS discovers an error that resulted in the retiree being overpaid, the retiree will be responsible for paying back the overage.

Past 240 days after Notice of Entitlement

Retirees, PERS' staff, and employers are unable to make changes to a retiree's account after 240 days into their retirement. After 240 days, the account is locked and cannot be changed unless specifically required by one of the following:

- To comply with a judgment, administrative order, arbitration award, conciliation agreement, settlement agreement, or other legal agreement entered into after the 240-day deadline.

- To correct information related to military service.

To learn more, read the February 2024 issue of *Employer News*, "Deadline to Make Changes to a Retiree's Account" article.

Receiving payments

Direct retirees to the Benefit Payment Resources webpage to access information about when their payments will arrive, if they will receive a cost-of-living adjustment, how to change their address, or how to switch to automatic deposits.

Working after retirement

PERS retirees can work for a non-PERS-participating employer with no restrictions nor effect on their retirement benefits.

PERS retirees may return to work for a PERS-participating employer while continuing to receive their retirement benefits, with certain restrictions.

For information about restrictions, plus instructions and guidelines for hiring a PERS retiree, read employer reporting guide 8, *Hiring a PERS Retiree*.

If the employee will continue working or start working for a PERS-participating employer immediately after retirement, read the June 2023 *Employer News* article "Attention, New Retirees: Do These Two Things Before Returning to Work."

Tips

- Early retirees who return to work within six months after retirement are allowed to work only a limited number of hours for a PERS-participating employer.

- Most retirees, whether they have an hourly limit or not, are hired with status code 11 – Retiree New Hire with Hour Limit.

- Only retirees who are canceling their retirement and returning to active service are hired with status code 13.

- Only retirees who qualify for an exception to annual hour limits are hired with status code 12. View the list of exceptions.

Learn more about retiree status codes in employer quick reference guide, "Status Codes."

Retiree health insurance

PERS offers subsidized health insurance for PERS retirees through the PERS Health Insurance Program (PHIP). Review complete information on the PHIP website for employers. Direct employees to the PHIP website for members.

OREGON
PERS

Introduction to PERS Health Insurance (PHIP)
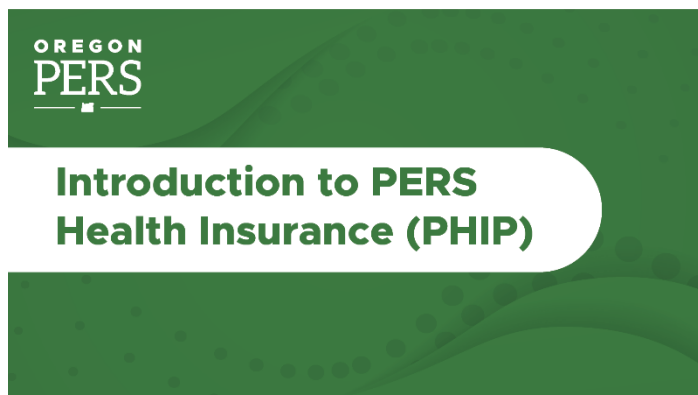
Learn more

Employers

For definitions of terms used in this document, refer to the "Glossary" quick reference guide.

For more information about PERS benefits, read employer reporting guide 1, Overview of PERS.

For instructions on PERS reporting, refer to the employer reporting manuals and quick reference guides.

Employees

For questions about their PERS benefits, direct employees to contact PERS Member Services.

By phone

8:30 a.m. to 5 p.m. Monday through Friday

888-320-7377 (toll free)

503-603-7766 (TTY)

By email

https://www.oregon.gov/pers/Pages/Submit-a-Question.aspx