

Retirement Benefits Training

Reporting processes

Topics


- Employer and employee contribution rates.
- Wages subject to contributions.
- Earning service credit.
- Employer processes for deposits and reports.

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Employer reporting representatives

- PEBA's Member Account Services has staff assigned to each employer to help with:
 - Monthly deposits;
 - Quarterly payroll reports;
 - Service credit and contract lengths; and
 - Supplemental reports.
- Select EES Assistance in EES for your representative's name and contact information.


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Employer and employee contributions

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Fiscal year 2019 employer contribution rates




• Effective July 1, 2018

Retirement plan	Employer contribution	Incidental death benefit contribution ¹	Accidental death contribution ¹	Total employer rate	Insurance surcharge ¹
SCRS	14.41%	0.15%	N/A	14.56%	6.05%
PORS	16.84%	0.20%	0.20%	17.24%	6.05%
State ORP ²	14.41%	0.15%	N/A	14.56%	6.05%

¹ Rates are applicable only to employers covered under these programs.
² For State ORP participants, 5 percent of the employer contribution is remitted directly to the participant's State ORP service provider.

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Fiscal year 2019 employee contribution rates



- SCRS and State ORP: 9 percent of earnable compensation.
- PORS: 9.75 percent of earnable compensation.

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Return-to-work retiree contributions



- Retiree contributes same rate as active employee.
- Retiree does not accrue additional service credit
- Contributions must be made to system from which the member retired.
- Retiree receiving both SCRS and PORS benefit:
 - Remit contributions to the system to which an active member in his position would contribute.
- Refer to Working Retiree Contributions training document in EES.

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Contributions and member SCRS, PORS accounts



- Employee contributions credited to his account.
- Employer contributions not placed in member's account.
- In retirement, monthly payments continue even when member's account is exhausted.
- Upon death, beneficiary receives balance in member's account, if any.


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Contribution rate increases



- If employer contribution rate increases: apply increased rate based on the date wages are paid.
- If employee contribution rate increases: apply increased rate to when wages are earned. Note that employee contributions are currently capped.


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Wages subject to contributions

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Wages subject to contributions



- Gross salary or wages:
 - Before taxes withheld; and
 - Before other deductions.
- Wages paid while on sick, annual, general leave.
- Overtime/compensatory time (must be employer-mandated for SCRS).
- Unused annual leave (Class Two only):
 - Contributions deductible for up to and including 45 days of termination pay for unused annual/general leave.
 - Payment at retirement is included in average final compensation.

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Limit on wages subject to contributions



- Limit on compensation subject to contributions for 2018: \$275,000.
- Applies to employees who became members after December 31, 1995.


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Wages not subject to contributions



- Termination pay for more than 45 days of unused annual leave (Class Two only).
- Termination pay for unused annual leave (Class Three only).
- Special payments:
 - One-time bonus and incentive-type payments; and
 - Retirement incentive payments.
- Lump-sum payments for unused sick leave.
- Long-term disability benefits.

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Earning service credit

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Basis for earning service credit



- Members earn service credit based on employer-reported data:
 - Employment dates;
 - Compensation above threshold (see next slide);
 - Months paid; and
 - Contract length, if applicable.
- State ORP members do not earn service credit.

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Monthly compensation threshold for service credit



- Currently \$580 per month.
- Increases in conjunction with increases to the federal minimum wage.
- Minimum wage × 80 hours per month = threshold.

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Contract lengths and service credit



- Changing an employee's contract length during a fiscal year may create service credit issues.
- Example: September quarterly report includes employee with 10-month contract.
 - Employee earns 1/10 year of service for each month paid.
 - If contract changes to 11 or 12 months, employee is short service credit for the year.
- See the Contract period chart in the Covered Employer Procedures Manual for more information.

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Employer processes

Deposit options, deposit forms, payroll reports and error corrections

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Employer processes



- Unless indicated, employers who report their payrolls through the Comptroller General's payroll system are excluded from these processes.

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Due dates



- Due Date Calendar (Form 1341) sent each August includes required dates:
 - Monthly deposit forms;
 - Quarterly deposit forms; and
 - Quarterly detail reports.
- If applicable, employers receive green envelopes in August for sending paper checks/forms.
- Due dates also available in EES.

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Deposits



- Employers must deposit employer and employee contributions to PEBA monthly.
- Due date is the date by which PEBA must receive your deposit, not the date by which the deposit is postmarked.

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Completing monthly, quarterly deposit forms



- Available under Employer Reporting in EES.
- Pre-filled with contribution rates.
- Barcoded with employer code and date information.
- Be sure to use form corresponding with appropriate month.

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Submitting monthly, quarterly deposit forms



- First two months in quarter:
 - Use *Monthly Deposit Form* (Form 1244)
- Last month in quarter:
 - Use *Quarterly Deposit Form* (Form 1246).
- Email deposit form to ServiceAccounting@peba.sc.gov for wire transfer or ACH debit.
- Review Employer Reporting to confirm receipt of deposits.

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Late deposits and deposit forms



- PEBA notifies employer if not received 10 days after due date.
- Late deposits charged interest based on adjusted prime rate:
 - Rate determined as of March.
 - New rate effective in July.

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Quarterly payroll reports



- Securely submit quarterly payroll reports under Employer Reporting in EES:
 - Upload a text (.txt) document; or
 - Process and submit an EES Employer Report (EESER).
- Use EES to:
 - Review due dates;
 - Review status updates; and
 - Confirm quarterly data submitted dates.
- PEBA notifies employer if not received 10 days after due date.

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Quarterly payroll report errors



- PEBA reviews records in error status after:
 - Receiving quarterly payroll report; and
 - Releasing records for posting to individual accounts (deposits received).
- View errors under Employer Transaction Error List in EES.
- Employer Reporting status also indicates errors.
- For employers who report their payrolls through the Comptroller General's payroll system, see the EES Quarterly Report Corrections training document.

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Submitting deposits



- Wire or ACH debit:
 - Contact Tiffany Johnson at 803.737.6849.
 - Requires Authorization Agreement for Automatic Debits (Form 1226).
- Electronic payment:
 - Requires Authorization Agreement for Participation in EES Retirement Electronic Payments (Form 1286).
- Paper check.

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Supplemental Contribution Report (Form 1227)



- Submit if service contribution error exists on already-posted report.
 - Omissions: enter as a positive amount.
 - Corrections: enter negative and positive amounts.
 - Deleting: enter as a negative amount.
- Include only one quarter per form.
- Use Fiscal Year Contribution Rates (Form 1340) to calculate supplement totals.

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Supplemental Service Report (Form 1224)



- Submit monthly when needed.
- Use to record contributions for members in specific types of leave-without-pay status who wish to continue contributions:
 - Military leave of absence (status code 59).
 - Workers' compensation (status code 61).
- Based on compensation member would have earned if he was able to perform job duties.

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Furlough supplements



- Supplements cover furlough programs in:
 - State agencies;
 - Higher education institutions; and
 - School districts.
- Remit member and employer contributions for SCRS, PORS and State ORP.
- No furlough contributions due for return-to-work retirees.
- Contributions based on salary immediately prior to furlough period.
- Submit in Excel or text format by Upload Furlough Supplement Data in EES.

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