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Last chapter 6 revision:  
February 2024

## Chapter 6– Maintain Member and Employer Records



PERA maintains a database on all current and former retirement system members and a database on the governmental employers that participate in, or are eligible to participate in, one or more of the retirement plans we administer.

As a payroll or benefit administrator, you play a key role in ensuring that the data in PERA's records are accurate and up-to-date. Late or inaccurate information could delay and negatively affect the quality of the services we provide to you or your employees.

This chapter will help you to create member records for new employees, update a member's employment status when events such as a leave of absence or termination occur, report a change

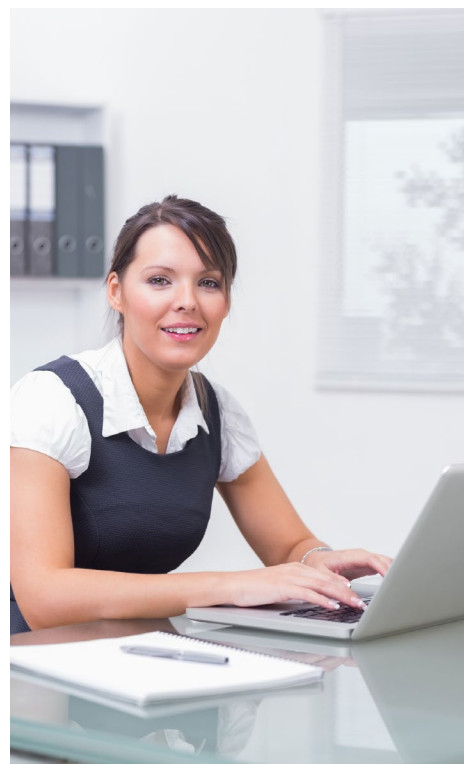
in a member's name or address, and maintain the data that PERA maintains on your agency and the employees who perform PERA reporting duties.

The Employer Manual is intended to provide general information. The rights and obligations of public employers and members are governed by state and federal laws, rules and regulations. The Minnesota Legislature or the federal government may change the statutes, rules and regulations governing PERA at any time. The statutes and regulations shall govern if there is any discrepancy between them and the information in this document.

## Reporting Methods

As a payroll or benefit administrator, you have two ways in which you can provide personal and employment data on the employees in your agency that participate in a PERA retirement plan. These are as follows:

1. If you have Internet and e-mail capabilities at work, you must use PERA's internet Employer Reporting and Information System (ERIS) to enroll eligible employees, report salary and contribution data on members for each pay period, and update the employment status of members when changes occur.  
(Note: An exception exists for employers that are enrolled in the Statewide Volunteer Firefighter (SVF) Retirement Plan. PERA has not yet expanded its web system to include the SVF plan; therefore, paper forms must be used. Refer to Chapter 2 for full information.)
2. If you do not have Internet or e-mail capabilities, you will report to PERA using paper forms. The exact form to use is dependent upon the task to be done as explained in this chapter. All forms can be downloaded for printing from PERA's website or mailed upon request.



## Web Reporting

The Employer Reporting and Information System (ERIS) provides a way for most employers to create and update members' accounts and to maintain information on the personnel in your agency who are contacts for PERA.

The system operates through PERA's website ([www.mnpera.org](http://www.mnpera.org)) and does not require any computer programming or data downloads. There is no cost to you to use ERIS and the required browser (Microsoft Internet Explorer version 6 or higher, Mozilla Firefox, or Apple Safari) can be downloaded for free.

Basically, there are two input methods available if you, or others within your agency, use ERIS to perform PERA reporting tasks.

1. Direct data entry – With this method, authorized users connect to PERA's computer system and access windows that allow them to directly input data. In many cases, the system will perform validations as data are entered and allow the user to print a copy of the recorded information.
2. Transmit computer files - As an alternative to online data entry, an employer may send data on members in a computer file. Under this method, you will need to have internal or contracted programmers create a file that meets the requirements described in the Computer File Format chapter. Then, with proper security rights, the person can send the file to PERA over the Internet. Confirmation of receipt is provided through an online message. (Any employer that wants to move to this method must contact PERA to discuss the testing process to be performed before electronic submissions may begin.)



### ERIS Administrator

The first step an employer takes before registering for access to ERIS is to determine who within the agency will serve as the System Administrator. An employer may have up to two ERIS Administrators.

The ERIS Administrators maintain security rights for their agency and are the only individuals who can do so. They decide which employees in the employer unit will have access to the system as “Representatives” and set their security levels for ERIS purposes. There is no limit to the number of ERIS Representatives an employer can have.

Individuals who will be ERIS Administrators must initially register for system access from PERA’s website. The person completes an online form containing certain required items (name, e-mail address, phone number, etc.)

When individuals register for ERIS access, they receive an immediate confirmation through e-mail. They also receive a letter in the mail that includes a document describing the terms for use and an Agreement and Authorization for Access form, which must be signed by the person who registered for access and by another person of authority within the employer unit. The signed form must be returned so that a temporary password can be issued to the new user.

### Log On

As a registered ERIS user (Administrator and Representative), you will enter the system using a unique User Name and password. Initially, PERA assigns a temporary password to each user. The temporary password, which is a unique combination of alphabet and numeric characters, must be changed after the initial entry into the system.

ERIS users are responsible for keeping their user names and passwords confidential. No one should share these security items with other employees they work with as it will erode the integrity of the system.

Passwords will expire six months from the date they are created; however, users may change their passwords at any time. For easy reference, the password expiration date is shown on the ERIS Home Page after you have entered the system.

Each ERIS user must have a unique user name and password.



### Fast Fact

## PERA Employer Manual

### Chapter 6 - Maintain Member and Employer Records

#### ERIS Modules

ERIS is easy to navigate, even for occasional users. The system is organized into modules that allow users to perform one or more pension administration tasks. ERIS contains an online Help Manual with instructions on how to use the features that are available in each module.

ERIS has an online Help Manual with step by step instructions.



#### Fast Fact

ERIS Module	What you can do as an authorized user
Member Account	This module is used for several tasks. You can change the employment status of a member (i.e. report a layoff, leave, termination, or an employee's return from leave or layoff). You can update personal information (name, address, birth date) and certain position data (appointment status, hire date, etc.) on active members. You can also complete an online certification form for an employee who had been enrolled in the Correctional Plan without the certification.
Search <ul style="list-style-type: none"><li>- Employee</li><li>- Benefit Recipient</li></ul>	This module lets you search PERA's records and view the account of one or more of your members. You can also find out if a specific individual is receiving a monthly retirement or disability benefit from PERA. Additionally, using the search module you can look for records that match certain conditions, such as members without birth dates and addresses. This allows you to verify that PERA's records are not missing data that could prevent members from getting benefit estimates or newsletters.
Enroll Member	This module is used to enroll an employee into the PERA Coordinated, Correctional or Police and Fire plan, or PERA's Defined Contribution Plan. If enrolling a person in the Correctional Plan, which requires a certification by your agency, you can fill out an online form to validate the person's membership.
Maintain Employer	Using this module, you can update the name, address, and phone number on individuals who are PERA contacts for your agency (including yourself if you are a contact person). If you are the ERIS Administrator for your agency, you will use this module to add ERIS representatives and control their access to the system.
Transmit File	This module is used to send formatted data files to PERA. This includes contribution and member demographic files as described in the Computer File Format chapter. Employers may also use the Transmit File module to submit their annual Exclusion Report to PERA as a text or Excel data file. Details are in Chapter 3 Defined Benefit Plans and in Chapter 9 Computer File Format. Certain employers will also use this module to send Excel spreadsheets containing salary data on members who had time off under a budgetary leave or furlough.
Transmit Test File	Use this module to send a test file to PERA. The contents of the file you send will be evaluated against the format standards and PERA staff will inform you of the test results. File sent using this module will not be processed in PERA's production environment.



ERIS Module	What you can do as an authorized user
Change Password	This module contains features to allow any registered user to change his or her password.
SDR Reporting * New SDR * SDR History	<p>Using this tool, the user creates a customized Salary Deduction Report (SDR) following each pay period or may create a supplemental report covering retroactive pay or wages paid to reemployed PERA retirees. More details are in Chapter 7 Contribution Reporting.</p> <p>Employers can also use this module to view a history of the SDRs that have been received or posted to PERA's system in the last two years.</p>
Pending Reports	<p>The Pending Reports section is the result of PERA's ongoing automation initiatives designed to make reporting more efficient, accurate and cost effective for employers. If PERA needs you to complete a specific report, the report will be listed in this section.</p> <ul style="list-style-type: none"><li>• Annual Salary Threshold lists employees hired before 7/1/2023 whose reported earnings did not meet the annual threshold.</li><li>• Higher than Normal Salary asks about members who had recent earnings that appear to be significantly higher than the amount usually reported to PERA.</li><li>• Missing Enrollments is generated for employers that have not provided new member information that is required when an employee is enrolled in a PERA plan.</li><li>• Status Verification Report seeks to confirm the current status of employees who have been on leave/layoff or without salary for an extended period.</li><li>• Summer Earnings Verification asks employers to validate the summer earnings within the high-five of a member that has recently begun drawing a PERA benefit.</li></ul>
Exclusion Report	Employers may use this tool to create an online Exclusion Report and send the report over PERA's secure internet connection. To create the report, the employer inputs information on the employees who worked during a specific calendar year (or fiscal year for school districts), but who did not participate in a PERA retirement plan or another public pension plan. Details about the data that is needed on the annual Exclusion Report are in Chapter 3 Defined Benefit Plans.

## Member Enrollment

The member enrollment process is used to provide specific personal and employment data on employees who qualify for PERA membership. Generally, employers are required to submit enrollment data on each new or returning member prior to, or along with, the first PERA deduction reported for the employee.

The member enrollment process must be completed when any of the following events occur:

- You hire a new employee, or rehire a former employee, to a position that immediately qualifies for mandatory coverage in PERA's Defined Benefit Plan (DBP).
- If an employee, who did not qualify for PERA DBP membership when initially hired, subsequently meets the requirements for participation.
- When an eligible public official or employee exercises his or her optional right to join the Defined Benefit Plan or the Defined Contribution Plan.
- When an employee who is a PERA member moves to a different position in your agency that requires pension coverage in a different PERA retirement plan.

Note: Completion of the enrollment process is not necessary if a non-elected employee changes positions within your agency and the change does not alter the person's pension coverage (such as when a Coordinated Plan member accepts a second position that is also covered by the Coordinated Plan). However, when an employee moves from one position to another, be sure to determine if continuing retirement plan membership is appropriate after the promotion or transfer occurs.

- When you hire a PERA retiree who is under age 66 to fill a non-elected position. While the retiree cannot again pay into a PERA Defined Benefit Plan, the earnings received after retirement must be reported under the Exempt Plan so that they can be monitored. See Chapter 7 Contribution Reporting chapter for information on reporting the wages of reemployed retirees. Note: A PERA retiree who is elected to a county sheriff position may join the Defined Contribution Plan. Refer to Chapter 4 Defined Contribution Plan for details.
- When a PERA-covered employee, who had been placed on an indefinite layoff, subsequently returns to fill a position in your agency that qualifies for PERA membership.

Timely enrollments  
are required



### Fast Fact

Timely enrollment of eligible employees is important because PERA uses the data provided to establish an account for the member. If a person is employed by more than one governmental unit, each employer must separately enroll the employee to ensure that PERA creates a distinct employment record for each employer that employs the person.

PERA sends follow-up requests for missing or incomplete enrollments at two month intervals. If repeated requests have been made, the law authorizes PERA to assess a \$25 fine for each enrollment that has been requested from the employer and for which no response was provided.

When you enroll a new member, PERA mails a brochure to the person's home address that describes the provisions of the plan under which the person has been enrolled. New members of the Defined Contribution Plan will also receive the PERA Change Form and DCP Investment Selection form for completion.





### Submitting Enrollment Data

As mentioned previously, you are to submit enrollment data on each new or returning member prior to, or along with, the first PERA deduction reported for the employee. You will submit the enrollment data using either PERA's Internet reporting system (ERIS) or a paper form.

If registered as an ERIS user, you will use the Enroll Member module to input the employee's enrollment data directly into PERA's computer system. Or, as an alternative, you may enroll your new members through a computer file that meets the demographic specifications in the Computer File Format chapter. Properly formatted files are sent to PERA using the Transmit File module in ERIS.

If you do not have computer capabilities, you will use the Notice of Member Enrollment form to enroll new members, unless the membership coverage is optional for the individual. (Refer to Optional Member Enrollments in this chapter for more details.)

Regardless of whether you enroll new members through an electronic or manual method, you must provide the following data for each person:

- Employer Name and ID Number – This is the six-digit identification number that has been assigned to your unit.
- Employee's Name – Provide the complete name of the employee as it appears on your records.
- Employee's Social Security Number – The Social Security Number as listed on the employee's Social Security card and your records.
- Employee's Mailing Address – The mailing address of the employee.
- Employee's Date of Birth – The employee's date of birth.
- Gender – The employee is a male or female.
- PERA Plan – The plan under which the employee is being enrolled.
- Date of Hire or Rehire (for this position) – Provide the date the person begins employment in this position or the most recent date hired if the person is re-hired.

Example of New Employee: Rachel begins work on April 5, 2015 and is immediately eligible for membership in the Coordinated Plan. The hire date is 04/05/2015. This date should also be consistent with the payroll period in which the first PERA deduction is withheld (such as 04/01/2015 - 04/30/2015).

Example of Re-hire: Kevin is hired on May 15, 2018 and he had worked for your unit previously from 02/01/1999 – 03/15/2008. Report the hire date as 05/15/2018.

- Eligibility Date – This is the date that the employee holding this position becomes eligible for PERA coverage. If an employee's hire date and eligibility date are the same, the eligibility date is optional. However, if the two dates are different, both dates are required.  
Example: Tony began work in a six-month temporary position on October 10, 2014 (hire date), but was excluded from PERA membership. A permanent job opening becomes available in February 2015 and you offer it to Tony beginning February 7, 2015. The eligibility date to report for Tony is 02/07/2015. (The hire date would be 10/10/2014.)
- Exclusion Code – A delay in membership by more than 30 days must be documented as part of the employee's enrollment into the Defined Benefit Plan. PERA has established Exclusion Codes to use to explain the reason an employee was not enrolled on the starting date of employment. A list of Exclusion codes appears in Chapter 3 Defined Benefit Plan.

- Position Appointment Classification – Indicate if the position is full-time, part-time, intermittent/on-call, seasonal or another classification.
- Position Title Classification – Use the available PERA code that best describes the position held by this employee.
- Employee's Job Title – Provide the person's actual job title even if it is identical to the position classification.
- Pay Cycle – Indicate the frequency in which salary payments will be made to the employee, such as biweekly, monthly, etc.
- Employer Authorization – For paper enrollments, the form must be signed and dated and should include a daytime telephone number for future contacts if needed.



## Optional Member Enrollments

If a public employee, which includes elected officials, has the right to choose whether or not to join a PERA retirement plan, you, as the employer, must obtain written authorization before withholding any pension deductions. In addition, you must send the document containing the signature of the individual who is electing retirement plan coverage to PERA.

The specific PERA form to use to enroll a person whose membership is optional depends upon the position held. Full details about the membership options and any filing requirements are in Chapter 3 Defined Benefit Plan and Chapter 4 Defined Contribution Plan. Figure 1 provides a quick reference to the enrollment form to use for an optional membership.

Figure 1 Form for Enrolling Employees who have Membership Options

Position	Enrollment Form (available online or by contacting PERA)
City Manager/Administrator	Membership Election by a City Manager
Physician	Retirement Plan Election by a Physician
Local non-governing body elected official (includes an elected sheriff only if that person is drawing a retirement benefit from the PERA Police and Fire Plan)	Membership Election by Public Officials
Elected or appointed governing-body official	Membership Election by Public Officials
Basic or advanced life support emergency medical personnel with a public ambulance service	Defined Contribution Plan Membership Certification for Certain Ambulance, Rescue, or Volunteer Firefighter Positions Note: Form is completed solely by employer.





Figure 1 Form for Enrolling Employees who have Membership Options (CONTINUED)

Position	Enrollment Form (available online or by contacting PERA)
Volunteer or on-call firefighter	Defined Contribution Plan Membership Certification for Certain Ambulance, Rescue, or Volunteer Firefighter Positions
Coordinated plan members who, while on a leave of absence, are employed by a labor organization	If the Coordinated Plan member wants to continue their PERA coverage while on leave, the labor organization must send a completed Election by a Labor Organization Employee to PERA

### Correctional or Police and Fire Plan Enrollments

If your governmental unit employs individuals who qualify for coverage under the PERA Correctional Plan, you must enroll certify that the position held by the employee qualifies for such coverage. This can be done by completing the paper Correctional Plan Certification form; however, if you use ERIS to enroll new members, you have the option to certify a position's eligibility for the Correctional Plan using an online form.

Employers have authority to enroll part-time police officers or part-time or volunteer firefighters into the Police and Fire Plan if the positions meet the membership requirements in law and if their governing board authorizes the coverage through a resolution. (Note: An exception is made in the law for part-time police officers of the Metropolitan Transit Commission. No resolution is required to enroll their part-time police officers.)

A board resolution is also required to enroll in the Police and Fire Plan a police officer or

firefighter that serves a dual or combined role for the police or fire department that employs them (i.e. deputy sheriff/jailer, firefighter/fire marshal). See Chapter 3 Defined Benefit Plan for the eligibility requirements.

A copy of the governing body's resolution declaring a position to be that of a police officer or firefighter as defined in state law is to be filed with PERA as soon as practicable after enrolling the employee into the Police and Fire Plan. Samples of the resolutions are online.

## Member Employment Status Changes

As a payroll administrator you have a responsibility to report employment status changes (such as personal or medical leaves of absence, layoffs, terminations of service, etc.) for PERA-covered employees. Under the law, you are to report the change in status during the pay period in which it occurs. Timely reporting of status changes will facilitate PERA's ability to pay refunds or monthly benefits to members and will ensure that employees receive

up-to-date benefit computations and statements.

Similar to enrollments, you will report changes in a member's employment status either electronically using ERIS or manually on a paper form. Users of ERIS input the change information directly into the PERA record of the applicable member or, if approved, may send a computer data file containing the status change information.

If you do not have internet access, you will report member status changes using the Member Information Change Report (MIC). Instructions for completion are on the back of the form. The MIC should be sent to PERA by fax or postal mail. Please do not report employment status changes on a paper Salary Deduction Report (SDR) as this form is used solely for reporting salary and contributions.

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There are various types of employment status changes that need to be reported and each one has a unique code for PERA purposes. A complete list appears in Figure 2. Immediately after the table, you will find detailed descriptions of each employment status change.

Figure 2 Employment Status Codes

Code	Status	What it means
A*	Active	Signifies a person's return to employment after being on a temporary layoff, medical leave, personal leave, military leave, or after being absent from work because of an illness or injury that qualified for Workers' Compensation benefits. This code should not be used to report the re-employment of an employee who had been placed on an indefinite layoff.
C	Deceased	Denotes the death of the member
I	Indefinite Layoff	Indicates that an employee has been placed on a layoff status for which there is no anticipated return to work
K*	Parental Leave	Signifies a maternity/paternity leave
L	Layoff	Indicates an unpaid period due to a temporary layoff or seasonal break in employment for an employee that you expect to recall to the position within a few months
M*	Medical Leave	Denotes a medical leave, whether paid or unpaid
N	New	This code distinguishes someone who is new to a plan or is reinstated into a PERA plan and has started to contribute as of the effective date.
P*	Personal leave	Signifies a personal leave
T	Employment Terminated	This code denotes that employment, or coverage under the applicable retirement plan, has ended due to an internal job change
W*	Workers' Compensation Leave	Identifies that the member is on an approved leave of absence because of an illness or injury that qualifies for Workers' Compensation benefits. (The member may or may not be drawing partial salary while on leave.)
X*	Military Leave	Signifies a person who is on a military leave

\*Employers do not need to report these types of changes for DCP members since they do not accrue service credits for their employment.

#### Employment Status Descriptions

This section provides details about the types of employment status changes to be reported to PERA on members.

#### Parental, Personal or Medical Leaves

A leave of absence is a specific period of time in which an employee has been authorized to be absent from work and the employer-employee relationship continues to exist. An employee

on an approved leave of absence retains PERA membership rights even though he or she is not working.

Employers must notify PERA when a Defined Benefit Plan member has a leave of absence



with or without pay for personal, parental, or medical reasons.

Additionally, there may be times when an employee begins a leave of absence in a paid status by drawing a normal level of pay, using accrued sick or vacation hours, and then moves to an unpaid status after depleting the accrued leave hours. In this situation, the employer should report the leave of absence with a beginning date that is the first day in which the employee did not report to work

Example: Kim goes on a six-month medical leave effective July 10, 2018, but has enough sick and vacation time to remain in a fully-paid status for three months through October 6, 2018. The employer reports the Medical leave effective 07/10/2018, when it actually started, even though at the start of the leave the employee is receiving compensation that is equal to her normal regular wages.

When a member draws his or her normal regular pay during an authorized medical, personal, or parental leave of absence, that compensation is salary for PERA purposes. However, if the compensation paid to the employee during the leave period is based on the individual using accrued sick, vacation, or personal time at a rate that is below the level the employee would have worked if not on a leave, the pay may not qualify as salary for PERA purposes. Refer to Chapter 7 Contribution Reporting for details and examples.

#### Workers' Compensation Leave

When a Defined Benefit Plan member is on an approved leave of absence or is absent from work because of an illness or injury that qualifies for workers' compensation benefits, you need to advise PERA by reporting the status code of "W" along with the effective date of the leave. The leave should be reported even if you are paying a reduced salary amount to the employee.

If your agency pays reduced wages to an employee who is drawing temporary workers' compensation benefits, you must withhold PERA deductions from the compensation you pay to the employee. In these situations, the Defined Benefit Plan member will receive service credit for each calendar month of earnings. (Note: Members drawing temporary Workers' Compensation payments from a third-party insurance provider or a self-insured employer do not have PERA deductions withheld from these payments. Refer to Chapter 5 Eligible Earnings for details.)

A Defined Benefit Plan member who receives reduced pay while drawing temporary workers' compensation benefits has the option



to make retirement plan contributions to maintain his or her full salary (without overtime) during the period in which wages were reduced. As the employer, you can choose to pay the employer contribution portion of the member's salary credit purchase. Members who want information about purchasing salary credit should contact PERA.

#### Military Leave

The Uniformed Service Employment and Reemployment Rights Act (USERRA) states that any person who leaves public employment for active duty in the uniformed services shall be treated

as being on military leave of absence during the period of unpaid service with the employer. To report that a member has gone on a military leave of absence, use the status code of 'X' and include the effective date of the leave.

Effective 7/1/2019, employers are required to report the return of a member from a military leave within 14 days of the member's reemployment and must retain a copy of the status update notification in the member's employment file.

Members of a PERA Defined Benefit Plan who go on military leave and return to public service upon their discharge may receive salary and service credit for the leave by making the employee contributions. The contributions are based on the salary (without overtime) and plan rates in effect during the leave. Further, payment must be made within a period of three times the member's length of military service not to exceed five years. Once the member payment has been made by your employee, you must pay the employer contributions due for the period of the military leave.

PERA sends a letter to a Defined Benefit Plan member who is reported as being on a military leave by the employing unit. The communication relays information about the member's options

regarding purchasing service credit for the time away from his or her PERA-eligible position.

Effective 7/1/2019, active members have the option to purchase service credit for up to five years of military service outside of PERA-covered employment or those with a prior leave where the original purchase deadline under Federal law was missed. The purchase cost will be the full actuarially determined cost associated with the benefit increase. Members inquiring will receive a letter detailing the eligibility requirements, eligible service credits, the process, and cost examples.

There is no employer action associated with this legislation. If you receive questions from members, please refer them to PERA's Member Line.

Employers do not need to report a military leave for their Defined Contribution Plan members since that plan does not award service credits to the covered employees.

Layoff (Temporary or Indefinite)

A layoff is a suspension of employment that is authorized by the employer. A layoff can occur for various reasons, but often is due to lack of work or funds for the position. Temporary layoffs can also represent seasonal breaks in employment.

You need to report when a PERA member is placed on a layoff for a period of one calendar month or longer. An exception is made for a school district or charter school that has members who are off during the break in academic years (summer months of June, July and/or August) and who are expected to return in the fall when school resumes. A school district must, however, report any layoff that happens during the normal months of a school year (September – May) so that PERA can determine if the member is entitled to service credits under the layoff provisions of the law.

If you anticipate that a member's layoff will be temporary in duration and you expect that the employee will be recalled within a few months to return to the same position, use the status code of 'L' to report the break in employment. This code must be accompanied by the effective date of the layoff. (Members of a Defined Benefit Plan will receive service credits for up to three calendar months



in which they do not earn salary due to a temporary layoff.)

On the other hand, if you place a PERA member on layoff for an indefinite period, you will report a status code of 'I' along with an effective date. An indefinite layoff occurs when the layoff is not temporary and you have not specified a date for the employee's return to work. (PERA members do not receive service credits for months in which they do not earn salary due to an indefinite layoff.)

#### Return from Leave of Absence

When a member returns to work after having been on a leave of absence, please be sure to update PERA. To report the end of a leave of absence, use employment status code 'A' along with the date that the employee returned to work.

A member of the General Employees Plan (Basic/Coordinated), the Correctional Plan or the Police and Fire Plan does not receive service credit for any calendar month in which salary was not earned due to a leave of absence. However, the member may have a right to voluntarily purchase some or all of the service credits that were lost.

In addition, if a Defined Benefit Plan member receives reduced pay while on a workers' compensation leave, or a

medical leave after June 30, 2009, the employee may have the option to make retirement plan contributions in order to maintain his or her full salary (without overtime) during the leave period. In these situations, you can choose to pay the employer contribution portion of this salary credit purchase.

Generally, PERA will send information about purchasing service or salary credit to each member upon learning from the employer that the member has returned to work. PERA has a Building Service Credit with PERA brochure that summarizes ways in which members earn or may purchase credit.

However, we suggest that members who want to receive an estimate of the cost to make a service or salary credit purchase contact PERA directly.

#### Return from Layoff

Employers must inform PERA when members of a Defined Benefit Plan return to employment after having been reported on a temporary layoff. Please use the status code 'A,' along with an effective date that represents the date the employee returned to work.

Please note that you should not use this status code to report the re-employment of an employee who had been on an indefinite layoff (status code "I"). When a PERA member is recalled to work after having been placed on an indefinite layoff, you must complete the new member enrollment process.

#### Member Death

When a PERA member dies, please report the date of death using the status code of 'C.'

#### Termination of Service

Termination of public service is the ending of the work relationship between your governmental agency and the employee. A termination of public service requires more than the person being "off the payroll" and not compensated for a specified period.

For PERA purposes, termination of public service occurs when:

- The member resigns or is dismissed and the employee does not, within 30 days of the date the employment relationship ended, return to an employment position in the same governmental unit; or



- When the employer-employee relationship is severed due to the expiration of a temporary, seasonal, or indefinite layoff.

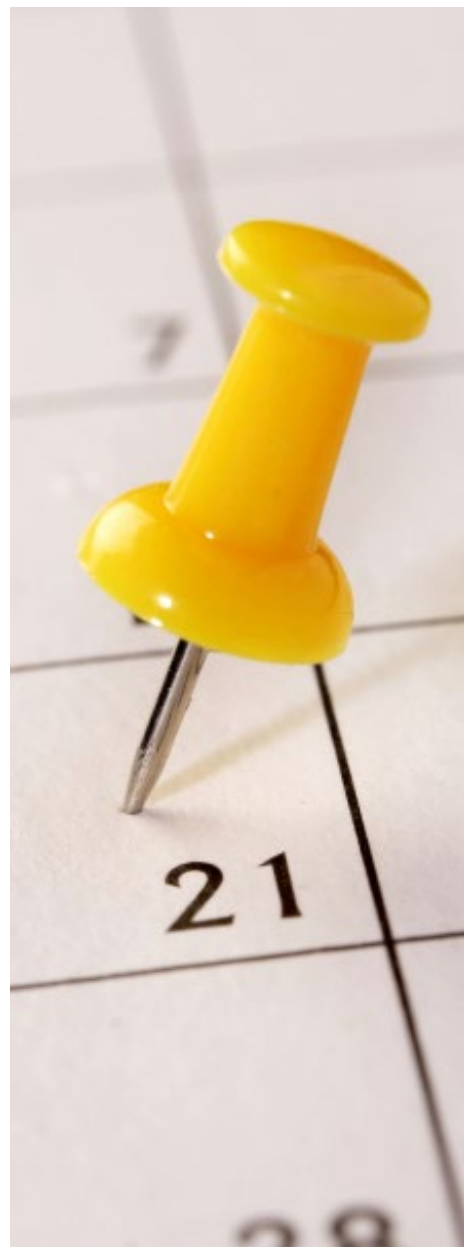
Under the laws governing PERA, a termination of service does not occur if, prior to the separation date, the member has an agreement, verbal or written, to return to a governmental unit as an employee, independent contractor, or employee of an independent contractor. (An exception is made for a police officer who is required to return for a future court appearance.)

Termination of public service requires certain actions from the employer, including, but not limited to, the following:

- Complying with the governing personnel policies, collective bargaining agreements, or laws relating to employment termination. In many agencies this requires written resignations (which sometimes must be accepted by the governing body) or discharge notices.
- Treating the individual as a former employee. This includes paying accumulated leave hours at time of termination.
- Taking steps to fill the vacated position or eliminate it as a budgeted position.

If an elected official has plans to resign from office, apply for a PERA retirement benefit, and then run for a subsequent term of office in the same position held prior to retirement, the individual must resign from the elected position before filing for a subsequent term in the same office and must remain completely and continuously separated from that office for 30 days prior to the date of the election. In such situations, we suggest that the elected official call the PERA office in advance of his or her retirement to discuss the situation with a PERA counselor.

When you need to report a member's termination of public service, use the status code of 'T' with the appropriate effective date.







## Termination of Membership

Sometimes, a member's coverage under a PERA retirement plan must end because the employee moves to a different position within the same governmental unit that either provides different pension coverage, or provides no retirement plan coverage. Here, the person continues to work for the governmental unit but his or her PERA membership must end.

In these situations, you will close the member's PERA employment record under the plan in which the employee will no longer contribute by reporting a status change of "T". See the next examples.

### Example 1 -

**Change in PERA Plan Coverage:** An employee of the City of Anywhere, who is member of the Coordinated Plan, is promoted on December 1, 2017 to a full-time police officer position in the city's police department. In this example, the employer must report a termination date of November 30, 2017 covering the Coordinated Plan position and enroll the employee under the Police and Fire Plan as of December 1, 2017.



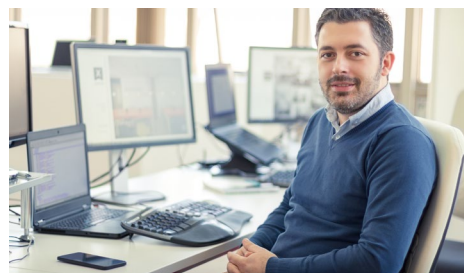
### Example 2 -

**Change in Retirement System Coverage:** A member of the Coordinated Plan is promoted to a teacher position within the same school district. Here, the employer must report a termination date to PERA covering the Coordinated Plan position and then enroll the person under the Teachers Retirement Association (TRA) and begin withholding TRA deductions.



### Example 3 -

**PERA Coverage Ends:** A Coordinated Plan member transfers from a full-time job to a temporary position within the same employer unit. The length of the temporary position will be limited to five months; therefore under PERA law, the temporary position is excluded. Here, the employer will close the member's PERA coverage using the "T" status code with an effective date representing the last day of employment in the non-temporary position.



## Termination Verification Form

If a member of a Defined Benefit Plan makes an application for retirement benefits before the date that the person has specified will be his or her date of termination of public service, PERA will ask that the Termination Verification form be completed. PERA provides this form to the retiring employee who will then bring the form to you (the employer) to complete, date, and sign. It is generally the responsibility of the employee to return the form to PERA.

The Termination Verification form is used to substantiate that the member intends to terminate public service as required by PERA law and by rules of the Internal Revenue Service which require bona fide separations from service. As the employing unit, you are asked to verify that no arrangements for reemployment as an employee, a consultant, a contractor, or an employee of an independent contractor were made prior to the employee's date of termination.

As noted previously, an elected official who plans to retire from office and then run for a subsequent term of office in the same position held prior to retirement must resign from the elected position before filing for a subsequent term in the same office and

must remain continuously separated from that office for 30 days prior to the date of the election. There can be financial consequences if terminating members begin to draw retirement benefits without meeting the legal requirements for such payments. If the member does not effectively terminate public service, any retirement benefits paid by PERA will be discontinued and the person must repay the benefit payments. In certain instances, the employee could also be retroactively reinstated to PERA membership and both the employer and member would be required to pay omitted deductions and interest as required under Minn. Stat. §353.27.

Strikes  
Members of a Defined Benefit Plan may purchase up to one

year of service credit for any period of time in which they participated in a public strike without pay. Under M. S. §356.195, the purchase must be done within five years of the end of the strike. PERA has not established an employment status code to cover a period without pay for a member who participated in a strike. If the member contacts PERA for information about the cost to purchase the related period of time, we will contact your office to get the payroll data needed to respond to the request. At that time, we will ask if you want to pay the employer portion of the purchase cost. This is your option; you are under no obligation to do so.

## Phased Retirement

The Phased Retirement Option (PRO) allows Basic and Coordinated members of the General Plan to begin collecting a PERA benefit as early as age 62 while working a reduced schedule. The PRO began in 2009 and became a permanent program effective 7/1/2019.

The PRO is an option that employers can choose to offer to eligible employees and creates a flexible environment where employees can transition into retirement, and employers are able to better navigate the necessary

knowledge transfer. Members may not work in elected positions under the PRO.

To be eligible for the PRO, the employee must have worked more than 1,044 hours in each of the five preceding years. New participants must enter into a PRO agreement prior to terminating employment and PERA must receive the PRO agreement before the PRO begins.

The employee must also complete an Application for PERA Retirement benefits prior to the start





of employment under PRO. The member may then begin collecting a PERA pension benefit without the normally required 30-day break in service and prohibition against having an agreement to return to work with the current employer. All further accruals of service credit or adjustment of the high-five average salary cease. In addition, the retired member is not subject to any post-retirement earnings limits.

Under the PRO, an employee must reduce their schedule by 25% in each pay period and may not work over 1,044 hours in a year. If the allowed hours in a pay period or the maximum hours per year are exceeded, the PERA monthly benefit will be suspended and will not be reinstated

until all public employment has been terminated and a continuous separation for 30 days has occurred.

As of 7/1/2019, employers must report PRO earnings and compensated hours under Exempt Plan 99 within 14 days of the end of each pay period. The compensated hours should include hours worked and vacation/sick pay used for an employee based on their agreed-upon work schedule. No contributions should be withheld.

Though there is no longer an annual renewal process, a PRO agreement has a five-year maximum. At the end of PRO employment, employers and employees must inform PERA that

the employee has terminated from a PRO covered position.

Upon the completion of the phased retirement, a member must meet the requirements normally applied to someone who is terminating public service, including the prohibition of any future employment agreement, and the minimum 30-day break in public service. If the retiree later returns to PERA-covered employment, the post-retirement earnings limits would apply if the individual is under age 67.

## Furloughs or Budgetary Leaves

Employers are increasingly using furloughs or special leave programs to achieve budgetary savings, particularly during difficult economic times or revenue shortfalls. In these instances, the unpaid leave results in a temporary reduction in the salary and work hours for the employees that participate.

Often times, the unpaid leave hours represent a single day without pay for the employee that occurs in one or more pay periods during the fiscal year. Although the reduced work hours result in a temporary

reduction in pay for the affected employees, the time off is usually not reported to PERA as an employment status change because it does not cover a complete pay period.

A reduction in salary can affect the PERA benefits of Defined Benefit Plan members if the reduced earnings fall within their highest-paid 60 months of consecutive service. However, the members who have time off without pay under their employer's budgetary or special leave program have the option to maintain full salary (without overtime) despite

the reduction in earnings. (Note: The purchase of salary credit is not available if the employer permanently or temporarily lowers an employee's salary without reducing the person's hours of work.)

To maintain normal PERA salary levels for a period of reduced hours, the member must pay the employee and employer contributions on the missing salary with annual compound interest at 7.5 percent. However, the employer may agree to pay the employer contributions with applicable interest for its employees.

Payment from the employee must be received by PERA within one year after the end of the fiscal year in which the leave hours had been taken or within 30 days of termination of service by the member, whichever is sooner.

#### Employer Certification and Salary Reporting

All employers that administer a budgetary or special leave program must provide information to PERA when they first implement the program or upon any subsequent renewal. This information is provided through the Leave Program Certification form.

When completing this form, indicate whether or not your governing board has agreed to pay

the applicable employer contributions with accrued interest thereon for the PERA members who voluntarily pay the employee contributions for the period of reduced work hours. When returning the completed form to PERA, include a copy of the board resolution, policy, bargaining agreement, etc., authorizing or describing the leave program.

In addition, you will need to provide specific payroll data on the employees who have reduced work hours so that PERA can calculate the cost to purchase salary credit and send a statement to each member. This reporting is done annually for all active members who had reduced hours. However,

for a terminating member, you must report the data as soon as you are aware of the planned termination of service. Timing is especially important in these instances because a terminated member has only 30 days from the date employment ends to make a salary credit purchase.

If you have Excel capabilities, you may provide the salary data under a specific format as shown in Figure 3. The data must be in the order listed and no employee should be listed more than once in the worksheet. For convenience in preparing the Excel document, you may use PERA's Budgetary Leave Data File worksheet that is available online or by calling the PERA office.

Figure 3 Excel Spreadsheet - Members Having Unpaid Leave/Furlough Hours

Field Name	Description
Last name	Last name of the member who had unpaid leave hours.
First name	First name of the member
SSN	Provide either the member's 9-digit Social Security Number (SSN) without or with dashes (XXXXXXXXX or XXX-XX-XXXX) or the last 4 digits (XXXX) Note: Provide the full SSN if you will send the data to PERA using the secure file transfer method in ERIS; otherwise, provide only the last 4 digits of the SSN.
Begin date	The format is month, date, and year (MM/DD/YYYY).
End date	The format is month, date, and year (MM/DD/YYYY).
Hourly pay rate	Enter the amount of the member's hourly rate of pay with no more than four decimal places (X,XXX.XXXX). Do not include the dollar sign (\$). Note: Omit this amount if the employee had more than one pay rate during the applicable period.
Total unpaid hours	Enter the total number of unpaid leave or furlough hours (with two decimal places) that the member had for the applicable fiscal year (XXX.XX) Note: Omit this figure if the employee had more than one pay rate during the applicable period.





Figure 3 Excel Spreadsheet - Members Having Unpaid Leave/Furlough Hours (CONTINUED)

Field Name	Description
Total missed wages	Enter the total amount of wages (with two decimal places) that the member missed during the applicable period due to the unpaid leave hours. (This is also the total salary savings your unit had for this employee.) Do not include the dollar sign (XXX,XXX.XX) Note: This amount is optional unless the employee had more than one pay rate.
Employer PERA ID	The 6-digit number assigned to your unit by PERA. Note: This only needs to appear in the first row of member data; it is not needed for all other members in the spreadsheet.

Registered users of ERIS will submit their Excel spreadsheet using the system's Transmit File module. In this case, it is important to change the file type from 'SDR' to 'Misc' to ensure that the data is sent to the appropriate PERA directory. Employers that cannot send the data electronically may send a printed copy by

fax (651-296-2493) or mail (60 Empire Drive, Ste. #200, St Paul, MN 55103-2088).

Upon receipt of the spreadsheet, PERA prepares and mails cost statements to the members who had reduced hours. The statement explains that they have the option to pay the additional

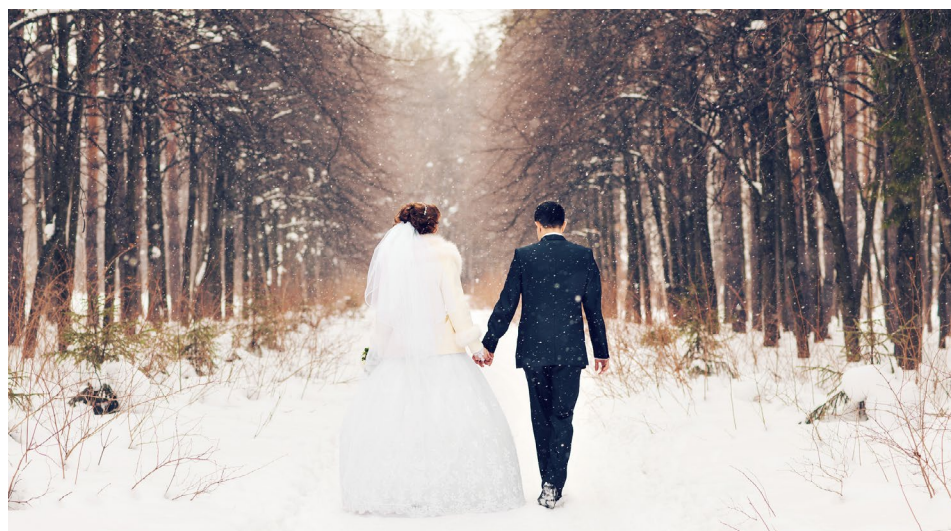
pension contributions to maintain their salary level for PERA benefit calculation purposes. If the employer has agreed to pay the associated employer contributions with interest, PERA will send an invoice to the employer after having received payment of the employee portion.

## Updating Member Information

It is important that PERA receives personal information changes for active members. This includes changes in a member's name, address, and beneficiary designation.

### Name Changes

PERA's records should always carry the correct legal names of members. You may use ERIS to access the computer record of an active employee and directly update the recorded name of the member. A second way to update PERA's records electronically is to send a properly formatted Demographic Record using the Transmit File capability



ity in ERIS. Of course, if you do not have internet capabilities, you may submit member name changes using the Member In-

formation Change Report (MIC). In this case, we ask that you include the employee's former name on the form.

## PERA Employer Manual

# Chapter 6 - Maintain Member and Employer Records

### Social Security Number Changes

The only method available for correcting an employee's Social Security Number (SSN) is to notify PERA through the Member Information Change Report or by letter. PERA does not accept SSN changes through its electronic reporting methods. When reporting SSN changes, please make sure you provide the incorrect number, the correct number, and the member's name.

### Address Changes

You may submit address changes on behalf of active members through the same reporting methods available for updating name changes; however, the preferred method is that the member report the address change directly (by phone, email or letter) or that the new data be provided through address services associated with the Post Office. Please note that you are not able to change the address of an employee who has terminated employment or a current employee who is receiving a PERA retirement or disability benefit.

Three different address change methods can be used to update PERA's records. They appear below in order of preference.

- Members and former members can make address changes by calling PERA's Member Services phone number.
- Address changes are made electronically using data updates made available by the U.S. Post Office — PERA participates in address change programs that provide immediate updates to addresses that are incorrect as part of batch mailings of our member newsletters.
- Employers may change the address of their active employees by directly updating the member accounts in PERA's system or by sending the data in a demographic record. Written address change notices may be either faxed or mailed to PERA and must include the last four-digits of the member's Social Security Number for identification purposes.

### Beneficiary Designations

Each member enrolled in a PERA plan may designate a beneficiary who, in case of the death of the member, is entitled to the value of the member's account. Employers may not request beneficiary changes for a member.

If a member has no listed beneficiary, the funds will be payable to the person's surviving spouse, or if none, to the person's estate. Members may use the MY PERA web system if they are unsure of their current beneficiaries, or they can contact PERA.

Members may change beneficiary designations at any time during their membership or after retirement using the MY PERA online system. Members may also download and print the PERA Change Form and then mail the completed form to PERA. Employers are encouraged to provide information about the MY PERA system to new employees as part of their orientation materials. You may also distribute the PERA Change Form to new retirement plan members.







## Periodic Reports Sent to Employers

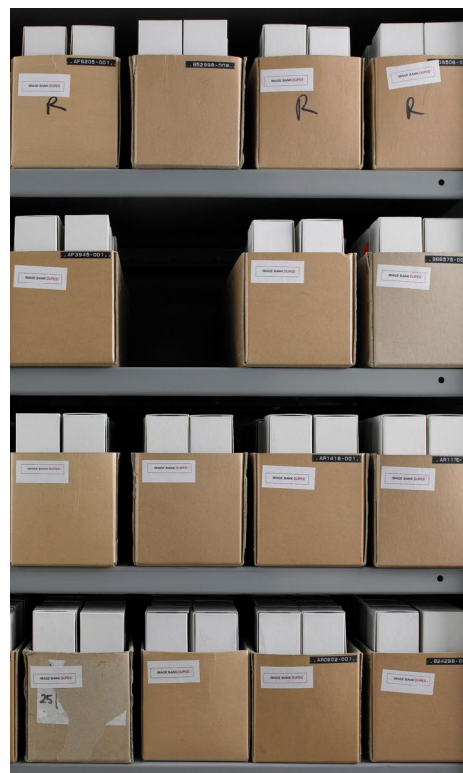
Periodically, PERA staff generates and sends various requests to employers in order to obtain missing data or forms that are necessary to complete the retirement plan accounts maintained on members. Your prompt response to these requests is required.

Among the requests that your agency could receive from PERA are:

1. Requests for birth dates or home addresses that are not in our member data base. To respond, please either update the member's individual PERA record using ERIS or insert the missing birth dates or address data directly onto the report you receive and mail it back to our office.
2. Requests for enrollment forms or data on employees who have been enrolled in a PERA plan and have member deductions posted to their accounts. Registered users of ERIS may respond to this request by entering the missing data in each online PERA member account. Employers that do not have ERIS must send a completed Notice of Member Enrollment form or the proper membership election form if the individual exercised an optional membership right.
3. We may also contact you about employees who were enrolled in the Correctional Plan or the Police and Fire Plan if our records are missing the required plan certification or governing-body resolution.
4. You may also receive the Status Verification report, which we usually produce twice a year in May and November. The purpose of this report is to confirm the continued employment of participating employees who have not had salary deductions for 8 or more months and to inquire about employees on a leave of absence or layoff for more than 12 months.

If you receive this report, you must determine if the employment status data for the named employee(s) needs to be updated. An update can be done by either adding the new status code to the paper report for later processing by PERA, or using ERIS to update the online member account directly. All employers that receive the report must sign it and return it to PERA after they identify in the box provided on the first page the action they took when processing it. When an employer needs to complete this verification process, PERA sends an email or letter to the payroll contact for the agency. Registered users of ERIS will respond to this request by opening the web Status Verification Report and inputting the missing data for each listed PERA member. Employers that do not have ERIS must complete the paper report, sign it, and return it to PERA. Employers should complete this report within 30 days of receiving it.

5. In February of each year, we mail a report to employers that have current or former employees who contributed to the Police and Fire Plan during the last calendar year. If you receive this report, you



are to review the position title and classification data listed for each employee and note any necessary corrections or additions before they sign the report and return it to PERA.

6. Near the end of the school year or calendar year, we will ask all employers to submit an Annual Exclusion Report that lists their workers and non-governing body public officials who do not have coverage in a PERA Defined Benefit Plan or another public retirement system such as the Teachers Retirement Association or the Minnesota State Retirement System. Instructions for this process are in Chapter 3 Defined Benefit Plans and Chapter 9 Computer File Format.

As noted previously, responding to these requests is required. Accurate employment information helps to ensure that we can provide accurate pension estimates to your employees and former employees. Additionally, the precision of the actuarial work that forecasts PERA's funding need depends greatly on the degree of completeness and accuracy of the information in PERA's database. If we have made repeated requests for forms or data and your agency has not responded to them, the law authorizes PERA to assess a \$25 fine for each request for which no response was provided.

7. Beginning in June 2018, if a school district employee begins to draw a PERA retirement or disability benefit, you may be required to validate the summer earnings that are part of the person's estimated high-five years of salary. This verification is needed so that PERA can determine the appropriate wages to use when finalizing the monthly benefit amount payable to the new benefit recipient. Our records must contain accurate earnings amounts and coverage periods. Any mistake in coding or not coding a summer contract payout with the school FY indicator can result in overpaid or underpaid monthly benefits. If you receive this report, you must review the salary information provided on the report and respond with a "yes" or "no" response to indicate if the listed pay period earnings represent a contract payout to an employee.

## Maintain Employer Records

PERA maintains an employer database with records for all local units of government and school districts that are required by law to provide certain reports to PERA and to enroll their eligible employees into a PERA retirement plan. (Refer to the Chapter 1 About PERA chapter for descriptions of the governmental units that are covered or excluded.)

PERA assigns a six-digit identification (ID) number to every covered employer and places

the number on all outgoing notices and other communications. Employers should, in turn, place their PERA ID number on all remittances to PERA.

### Contacts

Every employer must designate one or more individuals to fulfill PERA's reporting responsibilities. To serve as a contact, the person must be an employee or officer who has the authority to complete, sign, and submit various forms or information on behalf of the unit of government.

Each employer must designate at least one person to serve as a payroll contact.



**Fast Fact**



While PERA has various contact roles, at least one individual from each employer agency must serve as the Payroll Contact. The Payroll Contact is the person who has authority to respond to PERA inquiries about contribution reporting (or lack thereof). PERA automatically sends its employer newsletter and any other special notices to each employer's Payroll Contact.

For most employers, the Payroll Contact person will be the employee who processes the payroll and prepares or oversees the creation of a Salary Deduction Report (SDR). However, if your agency contracts with an external firm to provide payroll services, the Payroll Contact for PERA could be either the employee of your unit who oversees the work of the outside firm, or the administrative head of your governmental unit (or a designee). When an employer authorizes an external firm to prepare its SDR and to respond to any related inquiries from PERA, we ask to receive specific data on the contracted provider company and its support personnel.

PERA encourages you to designate individuals to fulfill non-payroll pension responsibilities as described in Figure 4. PERA automatically sends its quarterly newsletters to all contacts that have e-mail addresses on file.

Figure 4

Contact Role	Who to Designate
Human Resources/Personnel	The employee who can respond to questions about the PERA membership coverage given to employees of the governmental unit, or to inquiries about the employment status of a member or excluded employee.
Finance/EFT	The employee who can respond to questions about the payment of funds to PERA.
Information Systems	This person should be the employee who could respond to technical questions, if they arise, about the data that is provided to PERA in computer files. This role only applies to employers that have their own computer programmers.
Outsourced or Contracted Payroll Services	This role is used only if the unit has outsourced its payroll functions to an external firm, such as an accounting firm or payroll service provider. The person given this role would be the individual employed by the external firm who is authorized to respond to PERA inquiries about pay period earnings, deductions, and contribution payments. An employer agency that has a Contracted Payroll contact must also have a Payroll Contact person who is an employee of the covered governmental unit.
Mail Recipient	Employers may designate any individual who wants to receive the employer newsletters and who has not been designated to serve in any of PERA's contact roles.

Employers should update their contact names, e-mail or mailing addresses, and phone numbers as changes occur. This can be done directly over the web using ERIS (described previously in this chapter) or by calling the PERA office. At times, PERA will send an employer profile document that reflects the contact data contained in the PERA database and ask employers to update outdated information or add new contacts.

#### [Change in Entity Name or Status](#)

If you change the name of your governmental unit, merge or consolidate with another Minnesota governmental unit, or close your operations, you must notify PERA at least 60 days before the change is made. In these situations, you must provide copies of any official documents associated with the change in status so that

we can determine the impact the change may have on the PERA-covered employees. The documents you provide will also be forwarded to the Social Security office for their records.

Generally, PERA coverage continues for an employer agency that consolidates with another governmental subdivision. If the consolidated agency will operate under an existing name, the six-digit PERA Employer ID of the entity will continue to be used. However, if two or more entities merge to form a new governmental subdivision, a new PERA ID number must be assigned. An example of this would be when two school districts merge into a new district that is given a new name and Independent School District number.

#### Outsourcing Operations

If your governmental unit decides to contract with a private-sector company to provide some of the services that you currently provide, please inform PERA before the change happens so that we can determine the impact to any current PERA members. Here are a few examples.

Example 1: A new charter school contracts with a private management company to carry out its business operations, which includes hiring workers to non-instructional positions.

Example 2: As part of its budgeting process, a city council decides to outsource its computer management systems to a private company.

Example 3: The school board of an independent school district decides to outsource its student transportation services to a private bus company. The private company will manage the drivers and the transportation program and will continue to serve the students of the school district.

If, in the above examples or other similar situations, the outsourcing will mean that the employees are no longer employed by a governmental subdivision in Minnesota; the PERA coverage must stop. In these situations, it is important for the affected employees to understand their rights relating to PERA benefits and the employer may want to contact PERA to determine if holding a PERA informational session could be arranged.







## Privatization

Generally, when a covered medical facility or other public employer turns its operation over to a private non-profit or for-profit organization, such as when a hospital or nursing home considers a sale or lease to a private company, the employees who become employed by the private entity may not continue to contribute to the PERA retirement plans after the date of privatization. Similarly, any new employees hired by the private organization cannot become members of or contribute to PERA.

Under Minnesota Statutes Chapter 353F the entity that is looking to privatize may extend special enhanced termination benefits to the affected PERA members. A condition of offering the 353F plan features is that there are sufficient financial assets on hand specifically associated with the group of members to fund their PERA benefits. To determine this, an actuarial study must be performed by the state pension actuary. The cost of the study is assessed to the governmental subdivision that is being privatized.

In these situations, the General Plan members who were employed on the day before the effective date of the change in the operation of the unit, or who terminated employment with the governmental unit on the day before the effective date, may be

afforded a modified benefit structure as follows:

- The members are eligible to receive a retirement benefit at retirement age without regard to the vesting requirement
- The members may continue to earn service credit for continued employment with the private entity for potential eligibility for the Rule of 90 or 30 years of service benefits while they work for the privatized entity.
- Deferred retirement benefits for the former members will be somewhat higher than they would normally be because the deferred pension grows while employed by the privatized entity. (For employees of facilities covered by 353F since December 31, 2010, the deferred augmentation rate is 2 percent, if that is affordable for the employer or 1 percent if the higher rate is not workable.)

To date, more than 20 public agencies, mostly hospitals and care facilities, have gone through privatization with coverage under 353F. A current list of the agencies that have gone through this process is available on the PERA website. The process that employers must follow if they wish their employees to receive coverage under the Chapter 353F is described below.

Employers anticipating the sale or lease of a facility who wish coverage under the statute must contact PERA and provide a resolution supporting the enhanced termination benefits available under the statute. The resolution must include a statement from the governing body agreeing to pay the cost of preparing the necessary actuarial calculations associated with this process. PERA also requires a copy of the sale or lease agreement and any other documentation that may be available to verify that the group to which the facility will be sold or leased is not a public employer under PERA's statutory definition.

Once the employer provides PERA with 50 percent of the cost of the actuarial study, we will direct our actuarial consultant to determine the impact privatization, under the terms of Chapter 353F, will have on the funding of PERA's retirement plan. The results of this study are presented to both PERA and the facility's governing board.

If the cost of extending the enhanced termination benefits under Chapter 353F is less than the cost to PERA of the employees continuing in the plan, the PERA Board of Trustees will approve the addition of the facility to Chapter 353F benefit provisions. This will extend the benefits under the chapter to employees after they lose



continuing PERA coverage upon the sale or lease to the new entity for as long as they continue to work with the privatized entity.

If the study finds the cost of the privatization benefits exceed the cost of ongoing coverage in PERA, the local unit of government can choose to pay the difference to PERA so employees can receive the enhanced termination benefits. If the difference in cost is not paid, employees will be subject the Association's normal termination provisions.

Upon the effective date of the sale or lease to the new entity, employment information about the former PERA employees must continue to be reported to PERA, even though contributions are not, and cannot continue, to be paid to the Plan.

The process of transferring ownership of a public facility to private ownership inevitably results in serious concerns and anxiety among affected employees.

PERA can send a representative to the facility early in the process to provide a group presentation on how privatization and Chapter 353F will impact member benefits.

When final action is taken setting the date for the transfer to the new entity, PERA will work with the facility to schedule a more in-depth presentation to the staff. While these group programs address most member questions, we realize that some employees will need additional individual counseling. Arrangements will be made to accommodate that need.