PERA

WELCOME TO PERA

PERA IS A PENSION

A pension is a retirement plan paid into while working that provides a future monthly lifetime income.

» Governed by MN law §353 & §356

» Participation is mandatory for eligible local government and school employees

» Employer and member both contribute a percentage of each paycheck

HOW DOES PERA CALCULATE A PENSION?

PERA calculates pensions based on three factors:

1. Member's reported **salary**
2. **Service** credits earned every month
3. The **age** at which the member begins drawing their pension

BASIC PENSION ELIGIBILITY

Membership is mandatory for 1) MN public employees whose 2) monthly pay from a single employer exceeds the salary threshold ($425). Once salary threshold is met, membership to PERA becomes valid until the member terminates from your employment.

INTRO TO SALARY REPORTING

WHAT IS THE SALARY DEDUCTION REPORT (SDR)?

A document employers use to report members' payroll data each pay period:

» PERA-eligible earnings and pay type
» Coverage dates
» Member and employer contributions

ONLY REPORT PERA-ELIGIBLE EARNINGS ON THE SDR

Gross, before-tax salary, including:	Do not report:
» Overtime pay	» Expense reimbursements
» Retroactive pay	» Retirement incentives
» Used PTO	» Payment for unused PTO
» Performance-based bonus payment	» Any bonus payment that is not performance-based

See Chapter 5 of the Employer Manual for more information on what types of pay are considered PERA-eligible.

CORRECT COVERAGE DATES

Report the dates in which salary is earned—not the dates salary is paid. This applies to:

» Retroactive/lump-sum pay
» Off-cycle checks
» Overtime from a previous pay period

PAY TYPE 01 – REGULAR PAY

Salary or compensation earned by and paid to an employee in the current pay period

PAY TYPE 02 – LUMP-SUM COMPENSATORY PAY

Lump-sum payments of unused, accrued, or banked compensatory hours or holiday time earned during a prior pay period

PAY TYPE 05 – RETROACTIVE PAY

Wages or earnings paid to an employee for services performed during prior pay periods

SDR WALK-THROUGH

There are two methods to submit the SDR:

DIRECT DATA ENTRY

» Input data directly into ERIS
» System validates data
» Save and print a copy

COMPUTER FILE UPLOAD

» Internal or contracted programmers
» File format requirements can be found in Chapter 9
» Contact PERA for testing

COMPLETING THE SDR

Enter members' payroll data in the **Detail** tab. Some important notes:

» Enter each member's eligible earnings and identify overtime earnings if applicable

» Pay type defaults to regular; coverage dates default to current pay period

» Click the **Save** button to automatically calculate the member deduction

» Use the **Add Member** button to add a new member to the report, or to add a second line of data for a member

Once all data is has been entered, click the **Summary/Submit to PERA** tab:

» This tab provides the calculation of all member and employer contributions for you to audit

» When you are ready to submit the report, click **Submit to PERA**

REPORTING WAGES FOR THE EXEMPT PLAN (99)

PERA's Exempt Plan (99) is for employees who are excluded due to being a PERA annuitant, but who still need to be reported on the SDR due to earnings or hours limits. This includes:

» PERA annuitants under the full Social Security retirement age (67)

» Employees working under a Phased Retirement Option (PRO)

How to report Exempt Plan wages:

» Open a **New SDR** and choose **Exempt Only** from the plan options

» Report wages for all Exempt employees; report hours for PRO employees

» If a PRO employee has no wages/hours for a payroll period, report "0" in the earnings/hours worked fields

MAKING A PAYMENT

HOW TO ACCESS THE ELECTRONIC FUNDS TRANSFER (EFT) PORTAL:

» Head to mnpera.org/employers

» Select **Online Services**, then click **Make Payment**

» Do not bookmark this link!

INVOICES AND CREDITS

» Invoices and credits can be found in the Invoice Summary section of the Summary/Submit to PERA tab on SDR.

INVOICE

If your EFT payment is short or late, PERA will send you an invoice to collect the missing contributions.

How to pay an invoice:

» Make the payment thru the EFT portal

» Invoice needs to be paid in full—no partial payments!

CREDIT MEMO

» Internal or contracted programmers
» File format requirements can be found in Chapter 9
» Contact PERA for testing

AFTER PAYMENT

Once both the SDR and payment has been submitted:

- » The SDR is matched with payment data
- » PERA's system flags discrepancies/errors

PENDING REPORTS

Pending reports are reports that automatically generate to collect or validate data due to a discrepancy or error in the SDR.

HIGHER THAN NORMAL SALARY	PRO HOURS/PRO RETIREE EARNINGS	PRO STATUS
Generates when an employee's salary has suddenly increased by a significant amount.	Generates when the most recent SDR is missing hours or wages for one or more PRO employees.	Generates when a specific PRO employee's earnings haven't been reported in the last 30 days.

ADJUSTMENTS

Adjustments are separate transactions added to the SDR in order to correct the amount of salary or deductions that had previously been reported for a member.

How to adjust a member's salary or deductions:

- » Open a **New SDR** and choose **Blank (No Members)** from the plan options
- » Use the **Add Member** button to add the member to the blank SDR
- » Enter the correction in the **Total Eligible Earnings** and/or **Member Deduction** fields