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Employer Update for Employers of the Maine State Retirement System, September 2013

Maine Public Employees Retirement System

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WORKERS’ COMPENSATION PAYMENTS COUNT TOWARD CREDITABLE SERVICE

Have an employee on a Workers’ Compensation leave?
Help us make sure your employee continues to receive retirement service credits while on leave. MainePERS needs to receive contribution payments for Workers’ Compensation earnings. Not paying contributions at the time the compensation is received can result in additional costs for your employee.

Submit PSC or HRP Form
Send us a Personnel Status Change (PSC) form or, if State, a Human Resource Profile (HRP) when your employee is on a Worker’s Compensation leave. If needed, MainePERS will bill the employee directly for their share of retirement contributions while on a Worker’s Compensation leave.

Questions?
For more information, contact Retirement Services at 1-800-451-9800 or RetirementServices@mainepers.org.

MainePERS Service Credit - It's All About Earnable Compensation
Okay, it's not all about earnable compensation, but that is certainly one of the key components. In general, earnable compensation includes any payment made to an employee for specific services rendered at the time they are rendered. The actual definition of earnable compensation is found in Title 5, Chapter 421, Subchapter 1, §17001 Definitions and further defined by MainePERS Rule, Chapter 101.

Here are some examples of payments you may make to employees that don’t count as earnable compensation:

<table>
<thead>
<tr>
<th>Description</th>
<th>Examples</th>
<th>NOT EARNABLE COMPENSATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash/payment in lieu of a benefit</td>
<td>Payment (including additional salary) paid in lieu of Health Insurance</td>
<td>Please do not report these items as compensation in monthly employer reporting</td>
</tr>
<tr>
<td>Reimbursement of expenses</td>
<td>Education Mileage Cell phone costs</td>
<td></td>
</tr>
<tr>
<td>Payments that are not for actual services rendered</td>
<td>Bonus Retirement stipend Incentive to retire Incentive for giving Notice of planned retirement Sick Leave Bank</td>
<td></td>
</tr>
<tr>
<td>Interest Paid to Employee</td>
<td>Retroactive wage Interest Settlement related Interest</td>
<td></td>
</tr>
</tbody>
</table>

Want to learn more about earnable compensation?
Go here to see the law: http://www.mainelegislature.org/legis/statutes/5/title5sec17001-1.html
Go here to see the rule: http://www.maine.gov/sos/cec/rules/90/94/411/411c101.doc
Call or e-mail us at Retirement Services: 1-800-451-9800 ext. 3158 or Retirement.Services@mainepers.org.

If you are not sure whether a payment is earnable compensation, or if you have mistakenly withheld contributions from a payment such as cash in lieu of a benefit, contact MainePERS and we will help you assure your employees receive the appropriate retirement service credits.
INTRODUCING MAINEPERS RETIREMENT SERVICES SPECIALISTS

MainePERS Retirement Specialists are available to help you and your employees with questions in many areas. You can call or e-mail a specialist any time with questions about membership eligibility, earnable compensation, service credit accrual, benefit eligibility or benefit calculations, to name a few.

Our Retirement Services Specialists are (L to R):

State Specialist
Stephen Jordan
Stephen.Jordan@mainepers.org
Phone: 512-3125

Participating Local District (PLD) Specialist
Deanna Doyle
Deanna.Doyle@mainepers.org
Phone: 512-3131

Teacher Specialist
David Jones
David.Jones@mainepers.org
Phone: 512-3151

Employer Self Service (ESS) Security Administration
Changing a Security Administrator

From time to time a security administrator may leave employment or may no longer hold the responsibility of Security Administrator for the MainePERS ESS application.

A “MainePERS Employer Security Administrator Authorization” form must be completed and returned to MainePERS in order to create a new security administrator or delete a current security administrator. The individual authorizing the addition or deletion of the Employer Security Administrator for your organization cannot be the same person as the named current or new Employer Security Administrator.

The form is available on our website @ http://mainepers.org/Forms/Forms%20PDFs/EM-0003.pdf