

 **PEBA Academy**

**Reporting process:  
earning service credit**

Retirement Benefits Training  
Fiscal year 2026

  
Serving those who serve South Carolina

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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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**Service credit and quarterly reporting**

- Employers provide information through quarterly reporting payroll data that is an important part of a member's retirement account.
- PEBA relies on this information to calculate a member's service credit.
- Service credit is awarded based on the reported contract length, months paid and compensation.
  - Subject to the monthly compensation threshold.
  - Employers play important role in reporting accurate contract length and months paid.
- State ORP participants and return-to-work retired members do not earn service credit.

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### Monthly compensation threshold for service credit

- If a member earns the monthly compensation threshold per month and is actively employed for the entire month, they will receive one month of service credit.
  - Currently \$580 per month.
  - Increases in conjunction with increases to the federal minimum wage.
  - Minimum wage × 80 hours per month = monthly compensation threshold.
- If compensation is less than the threshold, they will receive a portion of the month's service credit based on their total compensation amount and months paid.

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### Contract length and service credit

- Contract length is the number of months per fiscal year (July-June) that a member is paid compensation.
  - Year-round employment is a contract length 12.
- For certain positions, if a member is paid for only a portion of the fiscal year, the contract length is the number of months they are paid.
  - Some school districts and higher education institutions are paid over 9, 10 or 11 months rather than 12 months.
  - Contract lengths of 9, 10 or 11 months apply to school district and higher education employees only.
- Changing a member's reported contract length during a fiscal year can create service credit issues.
- Example: September quarterly report includes member with a 10-month contract length.
  - Member earns one-tenth of a year of service for each month paid.
  - If contract length changes to 11 or 12 months, member is short service credit for the year.
- See the Contract length chart in the [Covered Employer Procedures Manual](#) for more information.

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### Disclaimer

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