PSERS Employer Bulletin

Employer Bulletin - Vol 2 2019

Microsite Registration

Publication#9244

The employer microsite to capture payroll and banking information will be accessible only from May 1 to May 31. Business managers may access this site more than once, if needed, but all banking and payroll frequency data must be entered by May 31, 2019. Voya will load this information to their Sponsor Web, where reporting will take place, in June and prior to the July 1 go-live date. The person listed as the Business Manager contact in ESS will be granted access to this site.

The purpose of this microsite is to obtain an authorized bank account number to be used by Voya to debit DC contributions for member and employer contribution payments. It will also capture the payroll frequencies used by each school so that Voya knows when to expect payroll files to be submitted.

Please note that all PSERS-participating reporting units are required to confirm banking and payroll information regardless of whether its school employees will be enrolled in the DC Plan.

The Employer Service Center has been reaching out to Reporting Unit Business Managers to ensure they have access to ESS. Their last name and Employer ID will be part of the security validations to log in to the Microsite. When PSERS assigns access to ESS, a unique Employer ID is generated. PSERS understands that many Monthly Reporting persons are currently responsible for payments and PSERS reporting; however, for the purposes of registration onto the Microsite, the Business Manager from your reporting unit must have access and must log in, once they receive the access

Current Member Elections For New Membership Classes (September-November, 90 days)

PSERS members who are hired prior to and are active on July 1, 2019, will have a one-time opportunity to elect into Class T-G, Class T-H, or Class DC. These members will be notified through the August Member Newsletter of the 90-day election window from September 1, 2019 to November 30, 2019.

No action is needed to remain in a current membership class.

If interested in switching to one of the new membership classes, members must speak with a PSERS Retirement Representative to discuss the impact of changing classes. This must be done prior to electing a new class membership. The election is irrevocable.

The new membership class, if elected, is effective January 1, 2020. Therefore, all January payroll must be at the new class rate for current members who have elected into one of these new classes!

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Employer Service Center Staff

Crystal Houser Regional Office Administrator crhouser@pa.gov

Michael Chappuis Regional Office Administrator michappuis@pa.gov

Region 1 - Vacant Temporary Contacts: jmalnick@pa.gov; mschuchart@ pa.gov Beaver, Butler, Cameron, Centre, Clarion, Clearfield, Clinton, Crawford, Elk, Erie, Forest, Jefferson, Lawrence, McKean,

Mercer, Potter, Venango, and Warren Counties

Region 2 - Mandy Schuchart

mschuchart@pa.gov Bradford, Carbon, Columbia, Lackawanna, Lehigh, Luzerne, Lycoming, Monroe, Montour, Northampton, Northumberland, Pike, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne, and Wyoming Counties

Region 3 - Jonathan Malnick

jmalnick@pa.gov Allegheny, Armstrong, Fayette, Greene, Indiana, Washington, and Westmoreland Counties

Region 4 - Crystal Houser

crhouser@pa.gov Adams, Bedford, Blair, Cambria Cumberland, Dauphin, Franklin, Fulton, Huntington, Juniata, Mifflin, Perry, Somerset, and York Counties

Region 5 - Michael Chappuis

michappuis@pa.gov Berks, Bucks, Lancaster, Lebanon, Montgomery, and Schuylkill Counties

Region 6 - Lynn Wadley lwadley@pa.gov *Chester, Delaware, and Philadelphia Counties*

To-Do Prior to July 1, 2019

Time frame	Task
Ongoing	See the Employer Self Service and Act 5 Resource section under the Employer tab on the PSERS web- site; Whitelist the Voya resource account
Ongoing	Review 2019 PASBO presentation
April-May 2019	Attend PSERS Employer Spring Workshop
May 2019	Employer MicrositeBusiness Manager to verify or update banking information with Voya and provide payroll cycles to be ready for DC reporting
June 2019	Attend "Just in Time" training to learn how to use DC reporting portal
June 2019	Plan for DC reporting by reviewing your school's payroll calendar to know when your DC files will need to be sent to Voya

Voya Training

In June, Voya will provide a web-based training to employers to explain how the Sponsor Web works and how payroll files are submitted. The Sponsor Web is where you will upload DC payroll files.

Trainings will be conducted through large group webinar sessions with opportunities to ask questions. A manual will also be provided as a reference tool, similar to how PSERS provides the online Employer Reference Manual to assist with ESS system questions and reporting guidelines.

More information will be provided in May.

Summer 2019 Checklist

✓ Review list of new hires as of 7/1/2019.

- ✓ New hires who are new to PSERS and have a full-time contract or salaried wage type must have demographic and contract information created in ESS prior to their first pay.
- ✓ PSERS will provide your district with a list of employees who have never qualified, but who are currently in the system as Class T-E. These employees will need to be changed in your payroll to Class T-G and their member contributions rate should be changed from 7.5% to 5.5%.
- ✓ (Sept) Review CROQ Report each Monday to see if any employees have made an election to another class.

Reminders:

- Collect email addresses
- Enter demo/contract information at time of hire
- Review data reported to Voya and PSERS to be sure salaries match
- Look for CROQ report on Mondays
- Continue to check contribution rates for new hires to your school—have they previously qualified?

PSERS is Getting a New Look

Starting July 1, 2019, PSERS will transition from our current logo to a brand new one. PSERS' new logo celebrates a new era for PSERS which includes implementing a defined contribution plan and continuing our commitment to providing secure retirement benefits to Pennsylvania public school employees. The new PSERS logo is being introduced as we begin our second century of service to our members.

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Introducing Your New ESC Representative



PSERS is pleased to introduce Mandy Schuchart as the new **Employer Service Center** Representative for Region 2. Mandy is a veteran of the U.S. Army and she studied Pre-law at Wilson College. Before coming to PSERS, she worked as an **Employer Benefits and Retirement** Broker for 10+ years. She is a proud mother of two sons; Colby who will be attending Lycoming College to pursue a Criminal Justice and Military Science double major and Conner who is a high school junior with an interest in architecture and design. In her spare time, Mandy enjoys landscaping with her boyfriend Brian and restoring old houses. She also has a passion for baking and cooking to entertain. Mandy enjoys the challenge of thinking outside of the box to problem solve and furthering development through training. As the new ESC representative for Region 2, she looks forward to learning together with her school districts.

Change in Withholding Contributions for Non-Qualifying Part-Time Employees

Employees who have never qualified for membership and do not qualify for membership by June 30, 2019 will be converted into the new default membership class of Class T-G, effective July 1, 2019. Class T-G, the new default class beginning July 1, 2019, is a hybrid class that has a defined benefit and defined contribution component. You may continue reporting such employees to PSERS as Wages No Contributions (WNC). If, however, you are a school that withholds contributions for non-qualified employees anticipating that they may qualify by the end of the fiscal year, the member contribution rate of 7.50% will now decrease to 5.50%, the member contribution rate for Class T-G school employees reported after July 1, 2019. The employee will not be eligible to contribute to the defined contribution component until the employee has qualified for membership. Once qualified, the employee and the employer will be required to contribute an additional defined contribution percentage. Such defined contribution amount, however, cannot be withheld until PSERS notifies the school that the employee has attained qualification for PSERS membership.

More information was previously provided regarding these membership class changes and can be found on the Employer Section of the PSERS website. If you are withholding member contributions from your employees in anticipation of qualification into PSERS, then please consider sharing the below information with such employees regarding changes to the amount being withheld from their paycheck for PSERS:

Beginning July 1, 2019, reporting and membership classes under the Pennsylvania's Public School Employees' Retirement System (PSERS) are changing, Employees who never previously gualified for membership in PSERS, but have retirement contributions withheld, will see a reduction in their contribution percentage beginning with service rendered on and after July 1, 2019. Currently, PSERS contributions are withheld at 7.5% of your gross pay. Because you never qualified for membership, these funds were returned to you directly from PSERS around March of each year. Beginning July 1, 2019, the amount withheld from your pay will be reduced from 7.5% to 5.5%, consistent with the new membership Class T-G. If you do not qualify for PSERS membership, PSERS will continue to return the 5.5% of contributions. If, however, you do qualify for membership, you will be enrolled in Class T-G and be eligible to participate in PSERS defined contribution component. Additional information regarding changes to PSERS' membership classes can be found on the PSERS website.

If an employer sponsors or contributes to a 403(b) plan for a school employee, will the employee's aftertax contributions made to the PSERS DC Plan count toward the Internal Revenue Code Section 415 limit applied to the 403(b) plan?

No. After-tax contributions made to the PSERS DC Plan, which is a 401(a) defined contribution plan, are not aggregated when PSERS or the 403(b) plan test for compliance with the IRC section 415(c) limit that sets the maximum employer and employee contributions that can be made to a participant's defined contribution plan account to the lesser of a dollar limit (\$56,000 in 2019), or 100% of the participant's annual compensation.

Class Election Material & Electing Membership through the Member Self-Service (MSS) P<u>ortal</u>

Please be aware that members who have registered for the Member Self-Service (MSS) Portal are automatically enrolled in paperless delivery. Through MSS, members may request transactions, including electing a different Class Membership. This means that time-sensitive materials are available electronically and will not be mailed.

What can members do with an MSS account?

- Make class election
- Manage personal information
- Nominate/update beneficiaries
- Create estimates
- See account balances
- View PSERS correspondence
- Access their Voya account

Workshop Schedule - Sign Up with Your ESC Representative

Workshop Location	Date	Time	Address	City	Zip Code
Midwestern IU 4	Monday, April 15, 2019	10:00 AM	453 Maple St	Grove City	16127
Northwest Tri-County IU 5	Wednesday, April 24, 2019	10:00 AM	252 Waterford St	Edinboro	16412
Riverview IU 6	Thursday, April 25, 2019	10:00 AM	270 Mayfield Rd	Clarion	16214
Seneca Highlands IU 9	Friday, April 26, 2019	9:30 AM	119 Mechanic St	Smethport	16749
Central IU 10	Monday, April 29, 2019	10:00 AM	345 Link Rd	West Decatur	16878
BLAST IU 17	Tuesday, April 30, 2019	9:30 AM	33 Springbrook Dr	Canton	17724
Northeastern Educational IU 19	Wednesday, May 1, 2019	9:30 AM	1200 Line St	Archbald	18403
Luzerne IU 18	Thursday, May 2, 2019	9:30 AM	368 Tioga Ave	Kingston	18704
Colonial IU 20	Friday, May 3, 2019	9:30 AM	6 Danforth Dr	Easton	18045
Colonial IU 20	Friday, May 3, 2019	1:00 PM	6 Danforth Dr	Easton	18045
Montgomery County IU 23	Monday, May 6, 2019	10:00 AM	2 West Lafayette Street	Norristown	19401
Schuylkill IU 29	Tuesday, May 7, 2019	10:00 AM	15 Maple Ave	Pottsville	17901
Berks County IU 14	Thursday, May 9, 2019	10:00 AM	1111 Commons Blvd	Reading	19605
Lancaster-Lebanon IU 13	Friday, May 10, 2019	10:00 AM	1020 New Holland Ave	Lancaster	17601
Chester County IU 24	Monday, May 13, 2019	10:00 AM	455 Boot Rd	Downingtown	19335
Delaware County IU 25	Tuesday, May 14, 2019	10:00 AM	200 Yale Ave	Morton	19070
Philadelphia IU 26	Wednesday, May 15, 2019	10:00 AM	Philadelphia District Office	Philadelphia	19130
Bucks County IU 22	Friday, May 17, 2019	10:00 AM	705 N Shady Retreat Rd	Doylestown	18901
Lincoln IU 12	Monday, May 20, 2019	9:30 AM	65 Billerbeck St	New Oxford	17350
Appalachia IU 8 Executive Office	Tuesday, May 21, 2019	9:30 AM	4500 6 th Avenue	Altoona	16602
Appalachia IU 8 Executive Office	Tuesday, May 21, 2019	1:00 PM	4500 6 th Avenue	Altoona	16602
Tuscarora IU 11	Wednesday, May 22, 2019	9:30 AM	2527 US Hwy 522 S	McVeytown	17051
Capital Area IU 15	Friday, May 24, 2019	9:30 AM	55 Miller St	Summerdale	17093
Central Susquehanna IU 16	Tuesday, May 28, 2019	9:30 AM	90 Lawton Ln	Milton	17847
Central Susquehanna IU 16	Tuesday, May 28, 2019	1:00 PM	90 Lawton Ln	Milton	17847
Carbon-Lehigh IU 21	Friday, May 31, 2019	9:30 AM	4210 Independence Dr	Schnecksville	18078