

Employer Spring Workshops

The Public School Employees' Retirement System's Employer Service Center invites you to attend one of our annual Employer Workshops.

The workshop is recommended for business managers, payroll staff, human resources staff, and anyone else responsible for understanding and/or reporting information to PSERS. The primary focus of this year's agenda will be retirement-covered compensation. The topic was selected based on your questions to your ESC representative and the questions PSERS must pose to you anytime you are reviewing account data.

A list of locations, dates, and times PSERS will be in your area are listed on our website at www.psers.state.pa.us under the Employer News page. Pre-registration is preferred, but it is not required. We are looking forward to seeing as many of you there as possible.

Region	Workshop Location	Date	Time	Address	City	ZIP Code
1	Seneca Highlands IU 9	Monday, May 16, 2016	10:00 AM	119 Mechanic St.	Smethport	16749
1	Riverview IU 6	Tuesday, May 17, 2016	9:30 AM	270 Mayfield Rd.	Clarion	16214
1	Northwest Tri-County IU 5	Monday, May 23, 2016	10:00 AM	252 Waterford St.	Edinboro	16412
1	Midwestern IU 4	Tuesday, May 24, 2016	10:00 AM	453 Maple St.	Grove City	16127
1	Beaver Valley IU 27	Wednesday, May 25, 2016	10:00 AM	147 Poplar Dr.	Monaca	15061
3	Westmoreland IU 7	Monday, May 16, 2016	9:30 AM	102 Equity Dr.	Greensburg	15601
3	ARIN IU 28	Tuesday, May 17, 2016	9:30 AM	2895 W Pike Rd.	Indiana	15701
3	Intermediate Unit 1	Wednesday, May 18, 2016	9:30 AM	1 Intermeditate Unit Dr.	Coal Center	15423
3	Allegheny IU 3	Friday, May 20, 2016	9:30 AM	475 E Waterfront Dr.	Munhall	15120
5	Berks County IU 14	Thursday, May 26, 2016	10:00 AM	1111 Commons Blvd.	Reading	19605
5	Lancaster-Lebanon IU 13	Wednesday, June 01, 2016	1:00 PM	1020 New Holland Ave.	Lancaster	17601
5	Schuylkill IU 29	Friday, June 03, 2016	10:00 AM	15 Maple Ave.	Pottsville	17901
6	Chester County IU 24	Thursday, May 19, 2016	10:00 AM	455 Boot Rd.	Downingtown	19335

Introducing Dianna Bennett and Kristina Goodling

We are pleased to introduce Dianna Bennett and Kristina Goodling as new members of the Employer Service Center (ESC).



Dianna is the new PSERS Employer Service Center representative for Region 1. She has taken on many responsibilities during her 13 years with PSERS including processing purchase of service applications and calculating member benefits as it relates to Domestic Relations Orders. In her new role, Dianna looks forward to training and interacting

with employers. When she's not working, Dianna enjoys crocheting, spending time with her three grandchildren, and going to hockey games ("Go Bears!").



Kristina is the new PSERS Employer Service Center Regional Office Administrator who is responsible for supervising ESC representatives. Previously, she oversaw the review of data reported by employers in member's accounts. As the new supervisor of a dedicated team with several newcomers, Kristina looks forward to strengthening and working with her team to

better serve employers. Outside of work, she enjoys reading, running, and spending quality time with her husband and two children.

Kristina's advice to employers: Ask right away if you have questions—it is much easier to clarify and fix problems for everyone now than years down the road.

Employer Service Center Staff

Kristina Goodling
Regional Office Administrator
krgoodling@pa.gov

Region 1 - Dianna Bennett
diabennett@pa.gov
Beaver, Butler, Cameron, Centre, Clarion, Clearfield, Clinton, Crawford, Elk, Erie, Forest, Jefferson, Lawrence, McKean, Mercer, Potter, Venango, and Warren Counties

Region 2 - Crystal Houser
crhouser@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 - Carolina Baez
cbaez@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 - Vacant
Temporary Contact: jmalnick@pa.gov; cbaez@pa.gov; or michappuis@pa.gov
Chester, Delaware, and Philadelphia Counties

Understanding Reporting with Suspensions and Terminations

Employer Reporting in Cases of Termination

Employers and school employees may part ways for a variety of reasons. We (the employer, the school employee, and PSERS) are faced with additional challenges when the termination results from alleged misconduct.

Whenever termination occurs, the employer communicates this to PSERS by submitting a Contract Record:

- Set the Work Status to TRMNTN (termination).
- Set the BOC and Service flags to indicate the last month of work reporting.
- Submit a BOC Svc Rpt date, if applicable, indicating that the employee has ended ALL employment with you. Include the date which PSERS will receive all salary and service information for this employee. The example below is a view of the Contract Record from our perspective:

Emp Type	Wage Type	Work Status	Start Date	End Date	Exp Months	Exp Units
Full Time	Salaries	TRMNTN	08/28/2015	00/00/0000		
Full Time	Salaries	ACTIVE	07/31/2006	08/28/2015	12	260

BOC Flag	Service Flag	BOC Svc Rpt
Y	Y	08/31/2015
N	N	00/00/0000

If the employee believes that the termination is wrongful but it is found that the employee was terminated properly, there would be no further action taken by you as the employer. If it is determined that the termination was unjust or the employer/school employee enters into a settlement agreement, the terms of the settlement agreement may include restoring the member's account, as determined by PSERS.

The account can only be restored if the salary, contributions, and service are reinstated as if the termination never occurred. The adjustment on the account must represent the difference between what was actually reported to PSERS and the amount of salary, contributions, and service the member would have earned had the employee not be terminated.

Chapters 8: "Retirement-Covered Compensation," 10: "Reporting – Leaves of Absence," and 11: "Reporting – Work Report Adjustments" explain the process in more detail. If you need help, please do not hesitate to contact your ESC Representative.

Regarding Suspension and Leave of Absence

Sometimes, the allegations only warrant a suspension while the facts are being investigated. If the suspension is for less than a pay period, you do not need to submit a new contract record pending the outcome of the investigation. If the suspension is equal to or greater than one pay period, you must report the school employee's leave of absence as an administrative leave of absence. Because administrative leave is not an approved leave of absence under the Retirement Code, you need to submit a Contract Record with a Work Status of LEAVEN (Any Other Leave Not Listed [Non-Contributing]). The Start Date of the LEAVEN Contract Record should be equal to the school employee's first day of suspension. If the employer is paying the employee, the salary should be reported to PSERS in the NRCC (Non-Retirement Covered Compensation) column of the Work Report.

If the investigation results in the member being terminated, then you will submit a Contract Record with a Work Status of TRMNTN. The TRMNTN Contract Record will automatically end date the LEAVEN Contract Record with the day before the TRMNTN Start Date.

If it is determined that that suspension was valid but termination is not warranted, then no adjustment would be made to the member's record. Any salary or wages paid to the member for the period that the member did not work while on administrative leave is not retirement-covered compensation and is not reportable to PSERS.

If the employer determines the allegations were unjust or unfounded, then you need to reverse the NRCC reporting, cancel the LEAVEN Contract Record, open the ACTIVE Contract Record, and submit a Work Report Adjustment for all salary, contributions, and service the member would have earned during the period of administrative leave.

The following examples illustrate the proper procedure in the initial reporting of an administrative leave and then the proper steps to make an employee's account whole after determining the allegations were unfounded and the administrative leave was unjust.

[Continued on next page](#)

Table #1: This example is of a paid administrative leave that is less than one full pay period. The table below illustrates a 10-month employee, paid over 12 months. A full year was worked and reported without incident.

Table #1	Work Status	Base	Service Days
Sep	ACTIVE	\$3,550.00	
Oct	ACTIVE	\$3,550.00	
Nov	ACTIVE	\$3,550.00	
Dec	ACTIVE	\$5,325.00	
Jan	ACTIVE	\$3,550.00	
Feb	ACTIVE	\$3,550.00	
Mar	ACTIVE	\$3,550.00	
Apr	ACTIVE	\$3,550.00	
May	ACTIVE	\$3,550.00	
Jun	ACTIVE	\$5,325.00	180
Jul	ACTIVE	\$3,550.00	
Aug	ACTIVE	\$3,550.00	
Total		\$46,150.00	180

Table #2: This example is of an administrative leave that is greater than a full pay period (15 days). The table below illustrates a 10-month employee, paid over 12 months. During the months of March and April, the employee was suspended. The salary paid to the member while on administrative leave is to be reported in the NRCC field on your Work Report. The Service Days are reduced by the length of the administrative leave.

The highlighted rows illustrate how you would adjust the record to reverse the effects of the administrative leave because the investigation determined the allegations were unfounded.

The salary and service that would have been earned in the 15-day suspension must be returned to the member's account through a Work History Adjustment (WHA). *Note: A settlement agreement is not necessarily the same as finding the allegations to be unjust or unfounded. All Settlement Agreements are evaluated under different criteria. See Chapter 8: "Retirement Covered Compensation" for more details on Settlement Agreements.*

Table #2	Work Status	Base	Service Days	NRCC
Sep	ACTIVE	\$3,550.00		
Oct	ACTIVE	\$3,550.00		
Nov	ACTIVE	\$3,550.00		
Dec	ACTIVE	\$5,325.00		
Jan	ACTIVE	\$3,550.00		
Feb	ACTIVE	\$3,550.00		
Mar	LEAVEN	\$1,775.00		\$1,775.00
Apr	ACTIVE	\$2,662.50		\$ 887.50
May	ACTIVE	\$3,550.00		
Jun	ACTIVE	\$5,325.00	165	
Jul	ACTIVE	\$3,550.00		
Aug	ACTIVE	\$3,550.00		
Total		\$43,487.50	165	\$2,662.50
WHA		\$2,662.50	15	\$2,662.50
Total		\$46,150.00	180	0.00

Contract History Activity to Support the Administrative Leave

Add a LEAVEN Contract Record with a Start Date equal to the first day of administrative leave in March. Upon the approval of the LEAVEN Record, the ACTIVE Contract Record will be End Dated with the day before the LEAVEN Start Date automatically.

Contract History Activity to Support the Reversal of the Administrative Leave

You will need to cancel the LEAVEN Contract Record by entering an end date and ask your ESC Representative to open the ACTIVE contract.

In conclusion, as administrative leaves become more common, it is important that all employers know what to do if these leaves are found to be unjust or if a settlement agreement was reached that reversed the leave. The employee account must be restored to the state it would have been in had the administrative leave not taken affect. If a settlement is reached in which the employee receives additional compensation beyond the base salary and service, it is NOT retirement-covered compensation. Contributions should NOT be withheld from the funds; these funds should be reported to PSERS under the NRCC field.