



EMPLOYER

b u l l e t i n

February/March 2012

Publication #9212

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Commonwealth Retirement Subsidy Reimbursement Reconciliation Process (Act 29)

For the past 15 months, the PSERS Office of Financial Management has been working with our software consultants to automate the Commonwealth Retirement Subsidy Reimbursement Reconciliation process. This process creates a more efficient way to extract the reported salary data from the employer files at PSERS; and it automates much of the calculation process for determining the amount of retirement subsidy reimbursements each employer is entitled to receive from the Commonwealth.

PSERS will continue to perform this reconciliation process in May and November each year for the June and December Commonwealth Retirement Subsidy Reimbursement payments. There are, however, some changes to this process, of which you should be aware:

- Reconciliation documents will be created and posted to the Employer Web.
- Any changes in the member enrollment date will not affect any past reimbursement calculations.
- The Purchase of Service (POS) Reimbursement report will now include adjustments for any voided purchases already reimbursed.
- The POS report will also include adjustments for prior reimbursements based on salaries that subsequently are determined to have been reported for non-qualified members.
- The reimbursement documents will be formatted differently than in the past.

More information will follow in the next *Employer Bulletin*. If you have any questions on this new process, please contact your Employer Service Center representative or Dominic Pugliese at (717) 720-4630.

Keeping PSERS Applications in Stock

PSERS is asking employers not to keep PSERS applications in stock to hand out to your employees. You should instruct employees who need PSERS applications to go to the PSERS website under Forms to download and print the applications or contact PSERS at (888) 773-7748. This instruction will ensure that employees are not using outdated applications and that PSERS is receiving the necessary information to process the request.

Report Due Date Reminder

Monthly work reports must be submitted to PSERS by the 20th of each month. Delay in reporting is costly to you and to your employees who are members of PSERS. Employers who are delinquent in submitting monthly work reports will have their quarterly Retirement Subsidy Reimbursements withheld. Delinquent work reports will cause the processing of benefits to be delayed, especially for employees who are retiring. In the fall, the delay will also negatively impact the sending of member's *Statements of Account*.

It is also important to submit work reports that are complete and accurate. You should review and correct "Exception Messages". If "Invalid Messages" are not corrected, the record will be dropped from your work report when transmitted to PSERS. Your ESC Representative will contact you with specific "Invalid" errors found on your reports. This will assist you and the representative to identify frequent and repeated errors found on your monthly reports.

Contact your ESC representative if you are having difficulties when submitting work reports or correcting errors. The sooner we know you are having an issue the sooner it can be corrected.

Waiving Membership

Part-time employees may opt to waive membership if they have never qualified for membership, had a break in service greater than 90 days, or a break in membership. Employees have until the end of the school year in which they qualified for membership to choose to waive. It is the employers' responsibility to inform all part-time employees of their option to waive membership in PSERS.

Part-time employees who wish to waive membership in PSERS must maintain one of the following retirement accounts. The employer must see proof of the plan.

- Traditional IRA
- Roth IRA
- Simplified Employee Pension (SEP)
- Savings Incentive Match Plan for Employees of Small Employers (SIMPLE)

Once proof of the retirement plan is provided, submit a contract record with the work status of ACTIVW. PSERS suggests this be done within 30 days of the employee's hire date to save you the need for work report adjustments later in the year. More information is found on the PSERS website under Employers, Employerpedia, Waiving Membership in PSERS.

Enrolling New Employees

When enrolling new employees in PSERS, be sure to use the employee's full, legal name. Enter the name exactly as written on the employee's Social Security card into your payroll system or directly into the Employer Web. Do not use punctuations unless it is part of the formal name, i.e. a hyphen (-) or apostrophe ('). You should not include a period (.) when entering a middle initial or suffix abbreviation (JR, SR, III). This will allow for consistency among employers, and will reduce the number of name-related "Exceptions" you receive when completing your Member Demographic entries each month.

Employers' Corner

PSERS realizes we could not do the work we do without the dedication and hard work of you, the employers. For this reason, we added this segment to our newsletter to allow you the opportunity to voice your knowledge and opinions with your fellow employer administrators. To submit a comment or helpful tip for the newsletter, contact your Employer Service Representative. A big thank you to Cheryl Andregic from Blue Mountain School District for submitting the following article about invalid addresses:

As 911 progressed with their RD/RTE conversions, I ran into a problem with invalid addresses. I realized I had to do something to make this problem go away. I asked the United States Post Office (USPS) what I could do and their solution was to add on the full zip code including the last four digits. Our software company had built into the Master File a place to add the last four digits into the Zip Code area so I decided that it would be worth the time to plug into the system the last four digit zip number for all our employees. I ran a Master Address List from the system for all our employees. I then went to www.USPS.com to retrieve all the four digit codes. The USPS website will give you the proper address including the last four digit code. If the USPS website did not provide the full zip code, I asked the employee to please contact their local post office to retrieve the full zip code for me. I then set out to add the four digit number to our Payroll System. I tried to do 3 to 4 pages weekly and before I knew it, all our employees had a zip code including the last four digit number in our system. Then every month while doing my work in the Employer Web, the proper full address was uploaded with my monthly Demographic files. So with the help from the USPS website and 15 minutes here and there, I no longer have any issues with invalid addresses. Taking the time to make this change will save you time and work later.

Cheryl Andregic, Payroll Specialist

Blue Mountain School District, Schuylkill County

460 Employees