



Public School Employees' Retirement System

Questions from Vendor Calls

REPORTING, FILE LAYOUTS, FILE UPLOADS & REMITTANCES

1. Is PSERS reporting going to include both Defined Benefit (DB) and Defined Contribution (DC) contributions? If so, will they need to be reported separately?

Schools will continue to submit their existing Defined Benefit PSERS retirement files as they do today for all classes. Schools will submit a new file to Voya for the new DC plan. The file will have the Class T-G, Class T-H, Class DC Only, after-tax and Employer DC contributions, along with compensation associated with the contributions. These files will be created by your payroll provider. Every pay period, however, schools or their authorized agent will upload the files to Voya's Sponsor Website. Voya will send reporting to PSERS of the Employee DC contributions remitted by employers.

2. Let's assume we hire a new employee on August 1 who gets paid on August 15. PSERS will not get the information until after August 31. How will PSERS know the employee was hired and how will Voya be able to accept contributions?

A Demographic and Contract record **MUST** be sent to PSERS as soon as the employee is hired. PSERS will send new hire information to Voya once per week. An employer's contribution and compensation file to Voya will be rejected if the employee is not setup on their system.

3. Can we collect the employee information and manually enter it directly into the Voya system?

Yes, the employer can manually input the information directly into the payroll application through Voya's Sponsor Website.

4. When will vendors know more about file requirements?

Voya will share information in December about test file layouts and specific conditions that should be included in test files.

5. Is the latest version of the draft file layout posted somewhere?

No, the final version of the file layout will be posted with the FAQs on the PSERS website under Employers. Employers should check their spam files to make certain that they are receiving emails from Voya. Please email PSERSVendors@Voya.com if a Voya email needs to be sent again.

6. Is there a specific file name required in the header record?

No. The file name in the header record can be any name that is alphabetic and is 30 or less letters and spaces. The name is for the use of the employer to identify the file they are creating.

7. Can a file be uploaded automatically, such as SFTP?

No. The file must be uploaded directly through Voya's Sponsor Website because there are real time edits done when files are loaded. If information is inaccurate, error messages will be created and prompt the user to make corrections. Once the information is corrected and the file successfully passes the edit process, the employer will authorize funding through ACH and the file will post to Voya's system that night.



8. When should contributions be remitted in relation to the pay date?

Employers should upload their file to Voya on the payroll date. The DC Plan contributions need to be posted to the participant's account on or as close to the payroll date as possible.

Voya will process the contributions for files received in good order as follows:

- Files loaded by 4:00 p.m. ET on a normal stock market day will be processed that same business day.
- Files loaded after 4:00 p.m. ET (or on a non-stock market day) will be processed the next business day.

9. Will we have to send a contribution file even if there are no employees with DC contributions being withheld?

No. An employer does not need to load a payroll file to Voya if there are no employee contributions to report. Current PSERS Members who are active on July 1, 2019 will be eligible to elect into one of the new classes. If a member chooses one of the new classes, the employers must be able to report and provide the deductions to Voya. PSERS will notify employers in December 2019 for the new withholding to begin January 1, 2020.

10. Employers receive error messages from PSERS that need to be corrected. Will Voya provide similar error messages?

Yes. Voya will provide messages if errors are detected. There will be a real-time review as the file is uploaded so employers will be notified immediately if there are any issues with the file.

Multiple error types are possible.

- An error loading the file will require the employer to fix the file and reload it. This could happen if the data in the file is in the wrong format or position.
- A validation error related to a member's contribution amount will be displayed after the file is loaded. The employer will be able to correct just that member's contributions within the Voya site. A new file would not need to be loaded but the member's contribution data would need to be fixed for the member (or members) with error messages before approving funding.
- More details about errors and how to correct them will be provided during the employer training in June 2019.

11. Can an employer send a change as a one-off if the amount is positive?

Yes. The Voya system allows for a one-off file. It must add up from a math perspective.

12. Can an employer send a change as a one-off if the amount is negative?

No. The net amount for each payroll file must be a positive for Voya to be able to debit the ACH. If there is a need to reduce a member's contribution from one payroll to the next it should be submitted with the next payroll.

13. If an employer needs to void remittances or make manual changes, should they be combined with the original submission or should they be sent separately?

If there is a need to correct a member's contribution from one payroll to the next it should be submitted with the next payroll.



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14. If a client missed someone in a file, can more than one file per day be loaded to Voya?

Yes. A second file can be sent by uploading a new file containing only the missed employees or the employer/authorized agent can manually enter the new information.

15. Will both employee and employer contributions come in on the same file?

Yes. Both mandatory employee and employer contributions and any employee voluntary after-tax contributions should be reported each pay period to Voya along with the required corresponding compensation. Voya will have a built-in edit process to ensure the mandatory employee contributions and the corresponding employer contributions are consistent with the class election rates and reported compensation. The per pay period compensation will be used as part of the verification process. If there are variances, the file upload will be rejected and the employer will be required to make a correction to the payroll file.

CLASS ELECTION

1. How will current employees active on July 1, 2019 be notified that they are eligible to elect one of the new classes?

Current employees, regardless of their existing membership class, will be notified in the PSERS member newsletter and on the public website of their option to elect one of these new classes. An employee who is not active on July 1 will not have an opportunity to elect a new membership class.

INVESTMENT OPTIONS

1. Can employees choose their own investment options? What if the funds are performing poorly?

Yes. Employees will be allowed to choose their own investment elections from the available options under the plan. Employees may change their investment election options at any time.

TESTING

1. Will there be a test system for employers to submit test files to Voya before July 1, 2019?

There will be a test environment early next year. Test files will be requested from vendors first. Employers will have an opportunity to test after work with the vendors is complete.

TRAINING

1. Can we train early?

No. Many changes are first needed on the PSERS side and Voya must also build their system. Voya needs testing time and process simulations with PSERS before any training can be rolled out. Employer training is scheduled for June and will intentionally be provided "just in time." The June training date is aligned with the launch date to ensure that the training will be fresh. If the training is held earlier, there is a higher probability that the information will not be retained and additional refresher training would be required.



CONTRIBUTIONS AND RATES

1. It was stated that there are different rates, what does this mean?

Current PSERS members who elect into one of the new plans will maintain the contribution rate associated with their original membership class but a portion of it (for Class T-G and Class T-H) or all of it (for Class DC Only) is remitted to Voya for their DC account. Employees hired on or after July 1, 2019 will contribute a total of 8.25% for Class T-G or 7.50% for Class T-H and Class DC Only.

2. Are the different rates for employee mandatory contributions pre-tax or after-tax?

Mandatory employee contributions for Class T-G (default), Class T-H (elected) or Class DC Only (elected) are pre-tax. An employee may also voluntarily elect to contribute an after-tax amount to the DC plan in any Class on a percentage of salary basis.

3. The file layout references a mandatory pre-tax contribution and an after-tax contribution to be reported to Voya so the assumption is that they are both considered DC contributions.

Yes. These are both DC contribution types.

4. May an employee change their after-tax contribution percentage at any time?

Yes. Employees may make changes to the after-tax contribution rate at any time through their Voya account. Updated after-tax elections will be provided from PSERS to employers on the CROQ report.

5. Are the mandatory employee amounts and the after-tax amounts both 401(a) contributions? If so, how are they to be reported correctly on the W-2.

Yes, these are both contributions to the 401(a) plan. Consult with your payroll tax expert for proper reporting on the employees' W-2s.