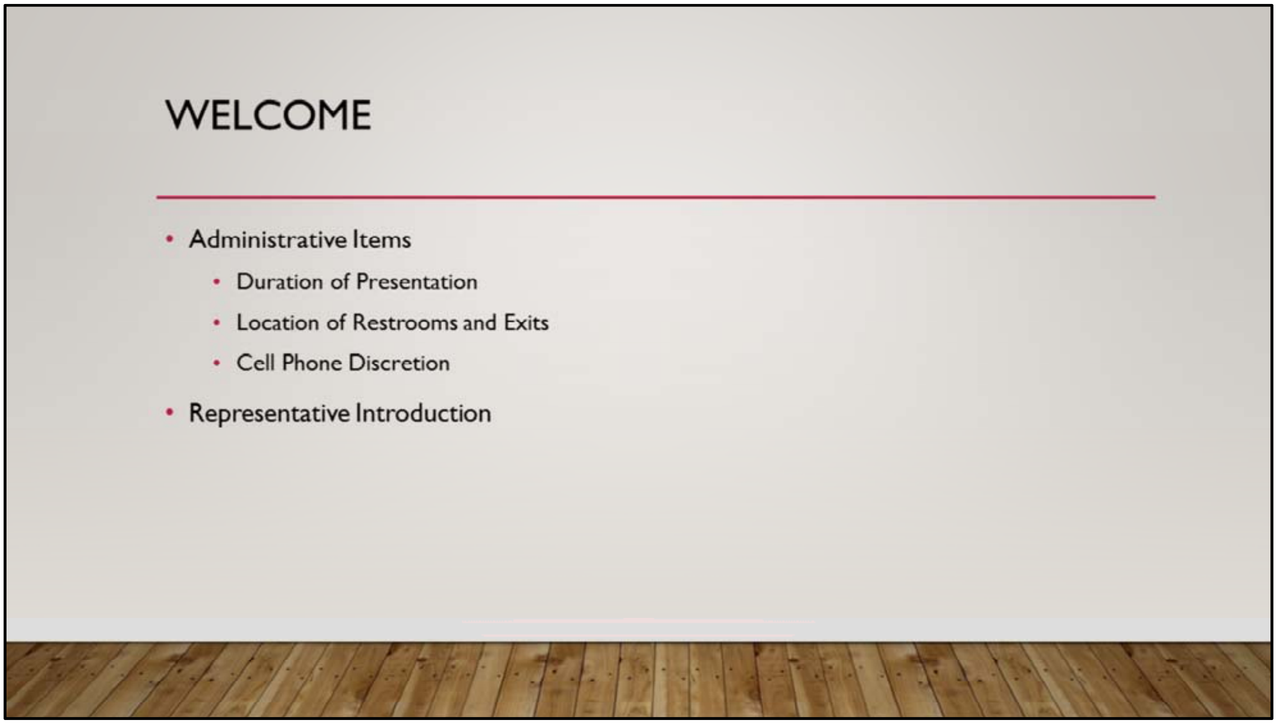
SPRING 2018 EMPLOYER WORKSHOP

TOPICS PRESENTED:

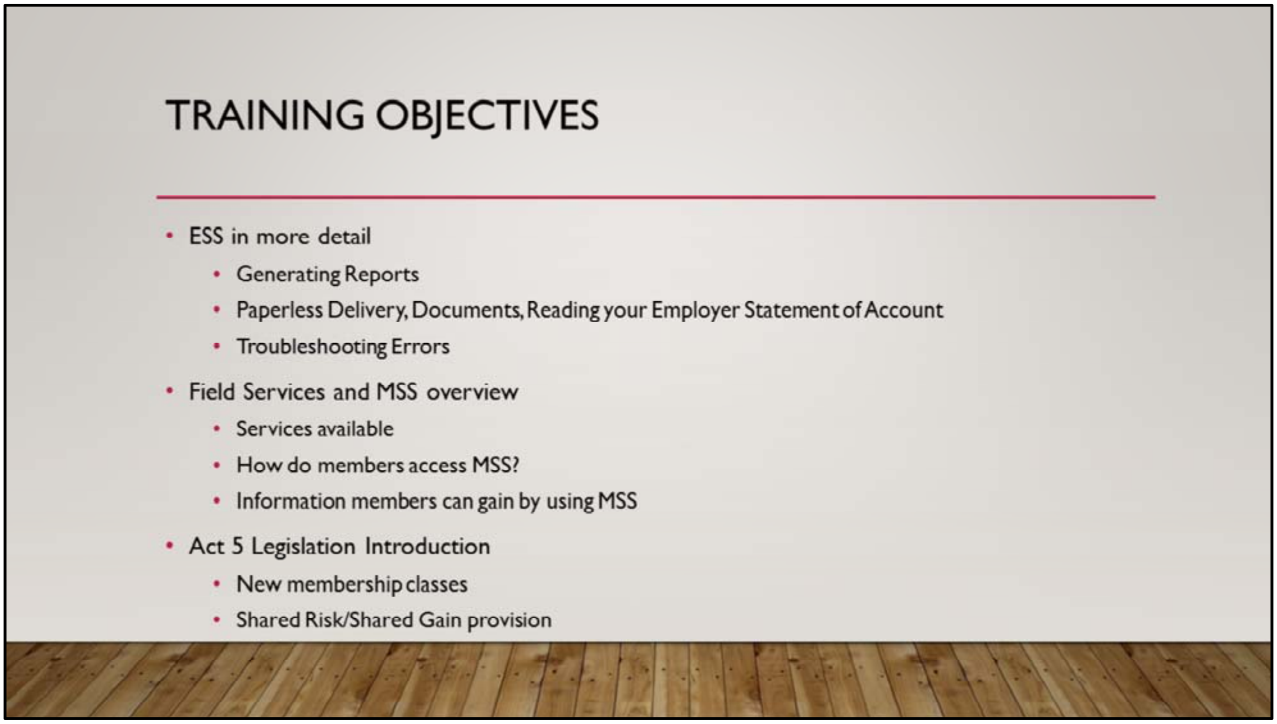
EMPLOYER SELF-SERVICE (ESS)

MEMBER SELF-SERVICE (MSS)

OVERVIEW OF ACT 5 LEGISLATION



The presentation is expected to run about 2 hours, depending on the questions and conversation we have during the presentation. Please keep cell phone distraction to a minimum, although we certainly understand if you need to step out briefly to take a call.



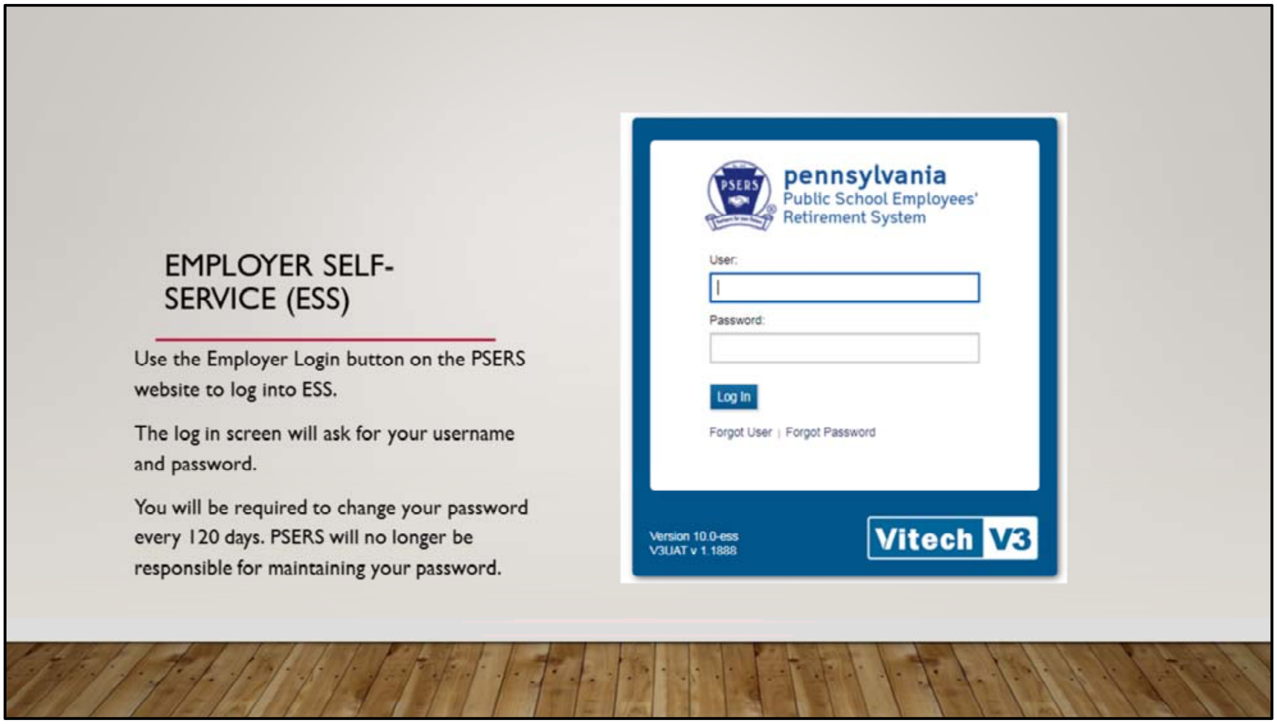
The transition to our new ESS system has had mixed success. Those who could get in have been able to use the system and submit work reports, make contract changes, and generate reports. But there are plenty of employers that had a rocky start using the system, especially logging in and having new accounts created timely. The ESS section of our presentation will touch on some of the features that we did not speak about during the live web-ex training that ESC offered in February and March. We also included some system workarounds and suggestions for interacting with the new system.

The MSS section will be presented by a member of our field regional offices. They will also share some of the services they can provide to you as employers and services provided to our membership.

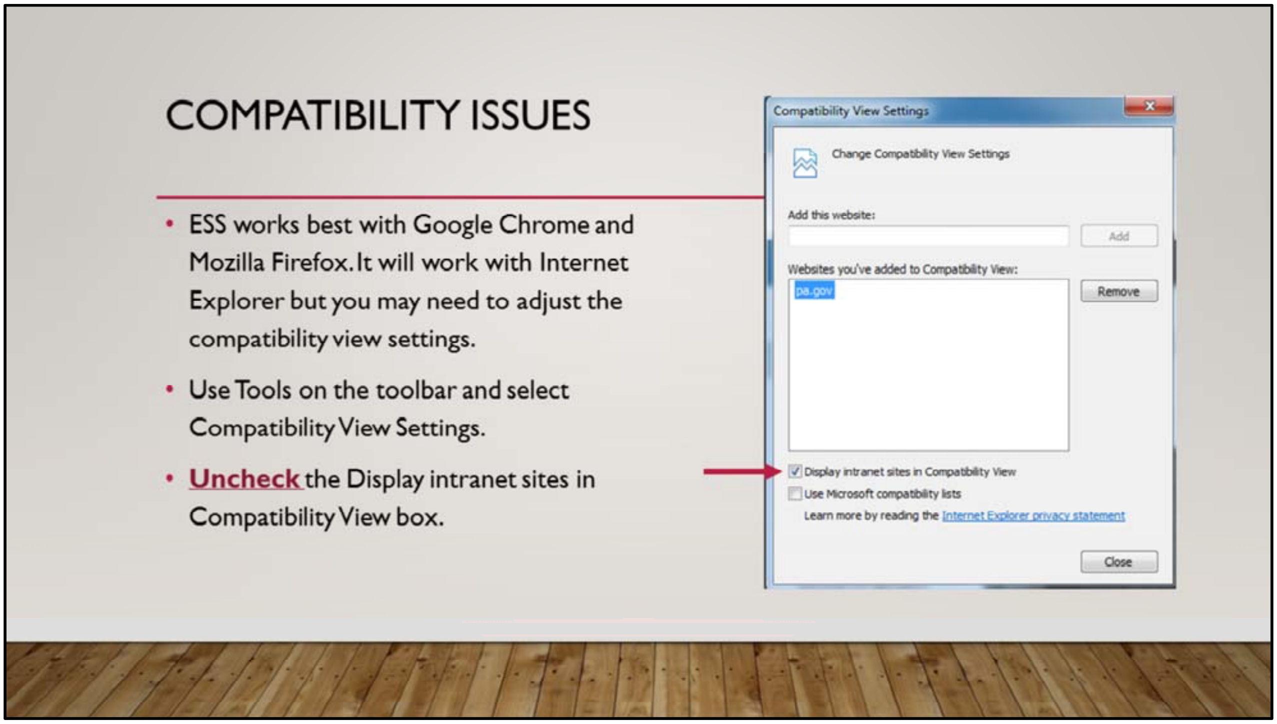
Finally, we will provide an overview of the new legislation that was signed into law in June 2017 which will create new membership classes beginning July 1, 2019. The information is limited at this time, but we'd like to share what we know to this point.

EMPLOYER SELF-SERVICE (ESS)

Understanding Admin and User accounts, generating reports, learning more about your Employer SOA, Troubleshooting in the new system



You will see this blue and white screen when you log into the ESS system. When you go in to change your password, you will receive a confirmation email through the system confirming that you have made a change to your account. The language in some of those emails may have been confusing if the email stated that you had made a change to your Member Self-Service (MSS) account. Please know that these instances have been reported and should be changed in the future. As an added measure of security, the ESS system will require that you update your password every 120 days.

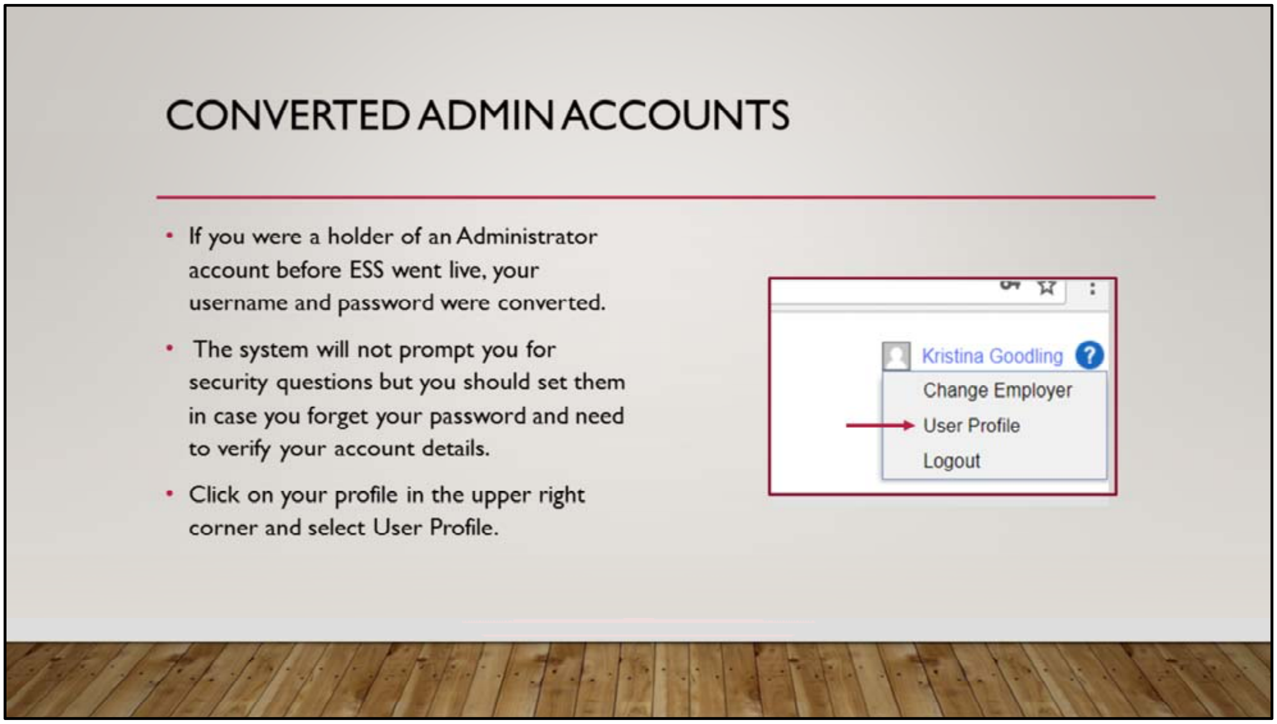


If you are using Internet Explorer to open ESS, you may experience compatibility issues. How do you know if you are having compatibility issues?

- When you are directed to the Employer Login, you may be brought to a blank screen.
- When the Login Screen comes up, the bottom portion of the login box may be cut off.
- Once you login, you are directed to a blank page.

All three of the situations above indicate a compatibility issue. In addition to unchecking the "Display intranet sites in Compatibility View" box, you may also need to remove pa.gov from the Websites you've added to compatibility View display box.

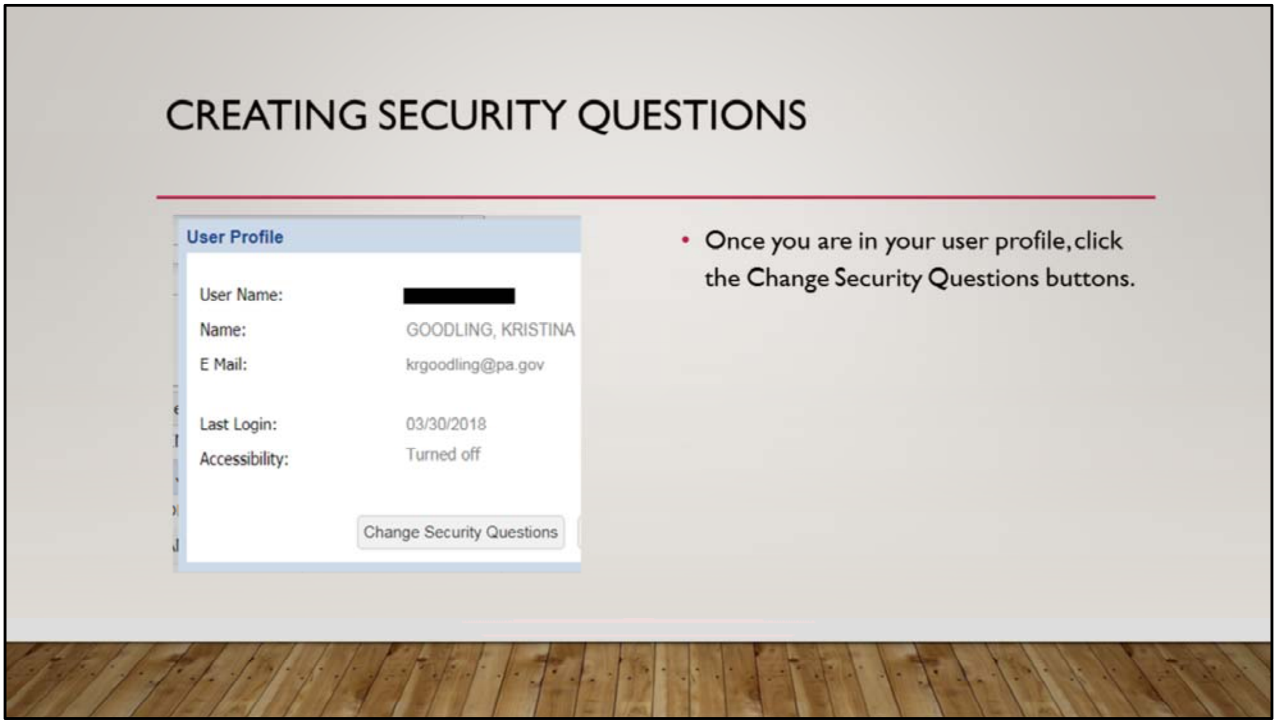
Utilizing Google Chrome or Firefox will help you avoid these compatibility issues.



If you have a converted Administrator account (meaning that the account existed in the Employer Web system) and forget your password there is no way for PSERS to reset your password as they have done in the past. Setting the Security Questions is your insurance in case you forget your password. Once you have set the three security questions, if you forget your password, click the Forgot Password link in the login box. This is how you will access ESS and reset your password.

If you forget your password and have not set the security questions-please submit a new PSRS-1270 form, PSERS Employer Security Administrator Authorization form. PSERS will then need to create a new Administrator account for you.

Additionally, if you have been using an existing Administrator account that was not specifically created for you, email notifications will not be sent to your email address. Instead they will be sent to the email address of the person associated with that account. The system can track which accounts appear to be actively used. For security purposes, each individual should have their own account. Please do not share or “pass down” account credentials.



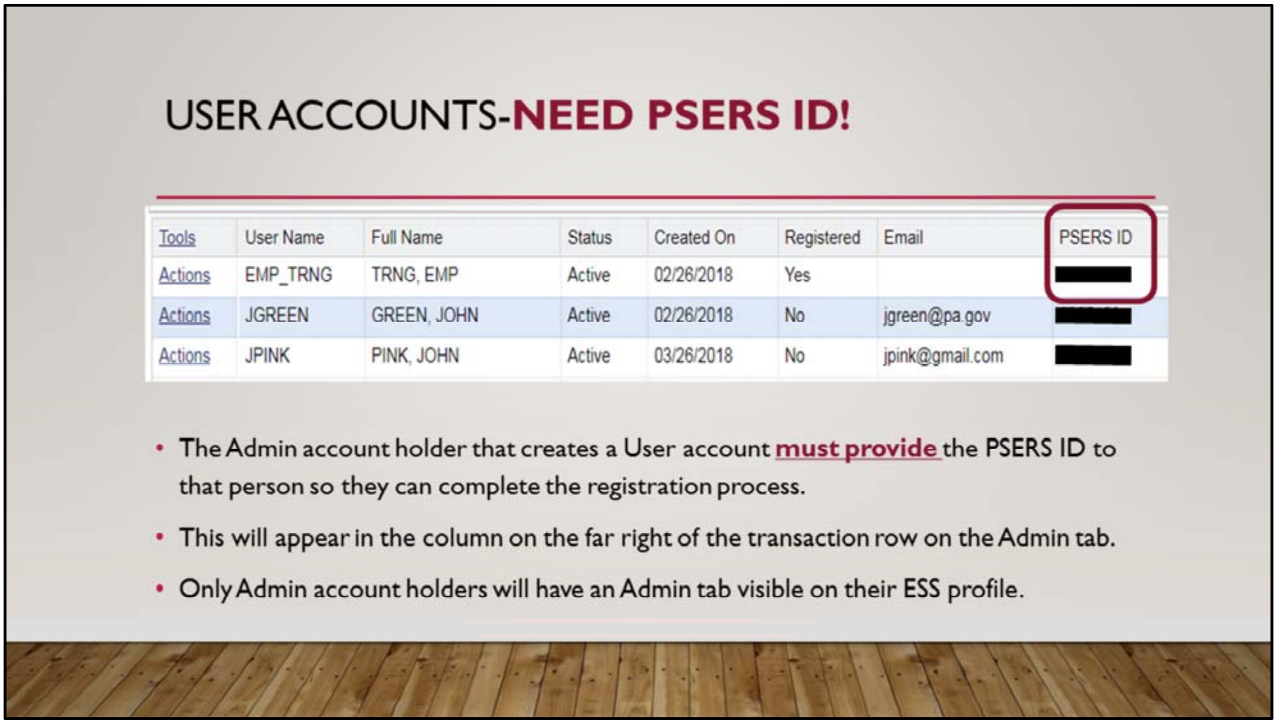
You will be prompted to create three security questions. Please select questions that are meaningful to you so you will remember the response you provided. If the system cannot verify you through your answers, you will not be able to reset your own password and may need to have a new account created.

CREATING USER ACCOUNTS

Schools should have at least two administrator accounts. User accounts are built by administrator account holders.

ADMINISTRATOR VS. USER: WHAT IS THE DIFFERENCE?

- Generally the security between Administrator account holders and User account holders is the same, meaning both can access all parts of the system.
- An Administrator account comes with the privilege to create User accounts. Administrator account holders will have an Admin tab on their ESS configuration that allows them to create User accounts.
- User accounts provide other business office staff the ability to access the ESS portal to assist in reporting work data to PSERS.



Whether you have an Admin account or a User account, a new person gaining access to the system needs to register. You will receive an email with a registration link that includes your Username. If you have an Admin account created, PSERS will send a letter with your PSERS ID number (this is different than your member PSERS ID number) so you can complete the registration.

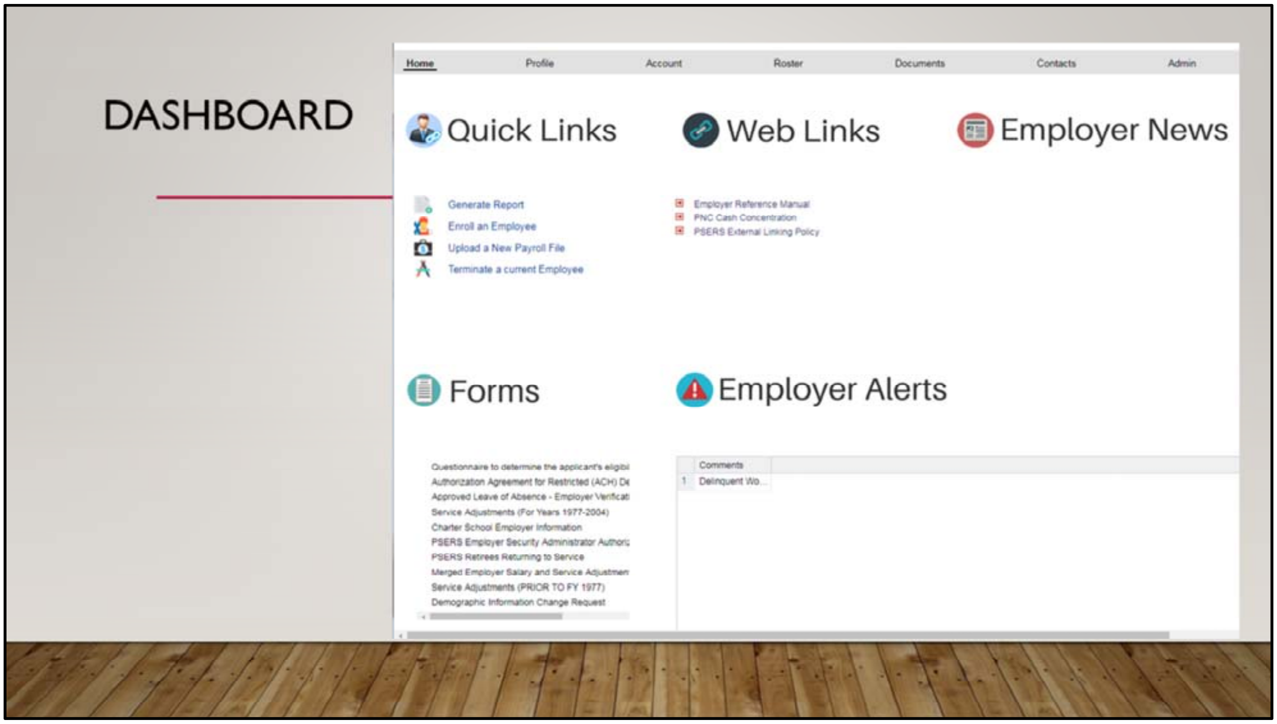
Note: You do not need an Admin AND User account; your Admin account functions as the account that you will do your PSERS reporting under.

The Administrator creating the User account should provide the PSERS ID number to the User. This will be used in the registration process after the User receives the registration email.

The PSERS ID is displayed on the far right and is a system generated number. <u>This is a different number than your personal member PSERS ID number.</u>

Once registered, the User will be able to use ESS for reporting. Completing the registration process will change the Registered status to “Yes” in the system.

Users will also be required to change their passwords every 120 days.



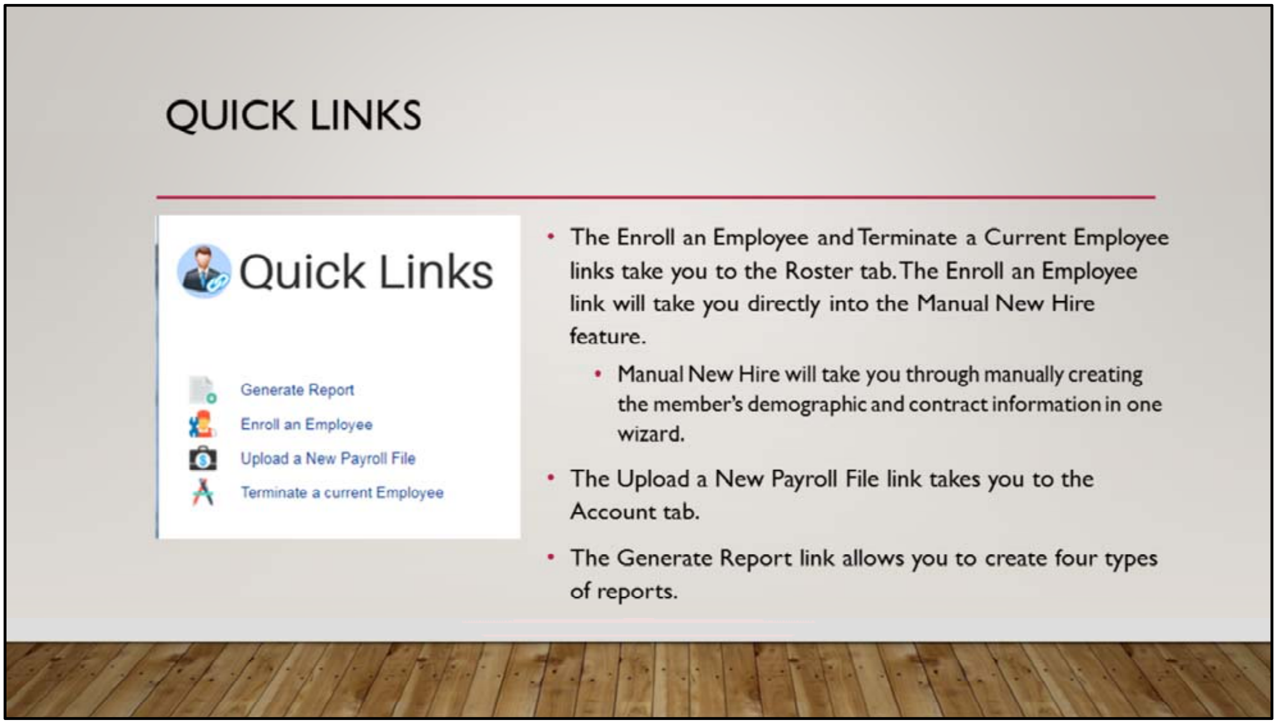
The Dashboard in ESS was set up as a convenient way for employers to access forms, reports, the PNC Cash Concentration website, the Employers' Reference Manual. The various tabs you will use for your PSERS reporting are across the top of your dashboard. As we explained in the previous slides, the Admin tab will only be visible to you if you have an Administrator account. Users will not see this tab, but will have access to all other parts of the system.

During the ESS Training Webinars, the Quick Links portion of the Dashboard was highlighted, although the Generate Report link was not demonstrated. Employer News will present you with information or notifications such as when the system may need maintenance.

The PNC Cash Con link within the Web Links may open in Google Chrome if that is what you are in to use ESS. If this occurs, please copy and paste the link into the Internet Explorer browser instead. Unfortunately, PNC Cash Con is only compatible with Internet Explorer. Another recommendation is to use the most current version of a Browser. You may need to consult with your IT Department to assist with that update.

The Forms that are listed in the Forms section are the same as the list that is available on the PSERS public website (psers.pa.gov). It was asked during the ESS training if the forms are able to be electronically submitted but this is not possible yet. You can electronically fill in the form, but will still need to save it locally and print/mail or email it into PSERS to be processed.

The Employer Alerts section will display a message if you are delinquent in work report for the previous month. In the future additional alerts may be posted as well.

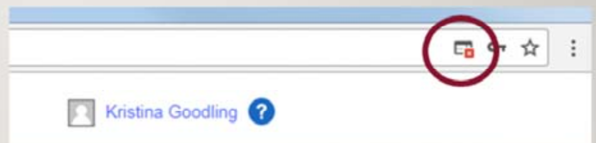


If you were able to attend the live-streamed ESS Trainings in February and March 2018, we discussed how to use most of the system and showed you the Quick Links that were available on your ESS Dashboard. Because we were in a test environment, we did not show how to access reports. The Generate Report link allows the employer to generate reports that could only be provided by PSERS in the past. The reports available are the CROQ report, the Service Report, Summary Report and the NQ PT Refund Report. We will go over the generation and function of each of these reports in this next section.

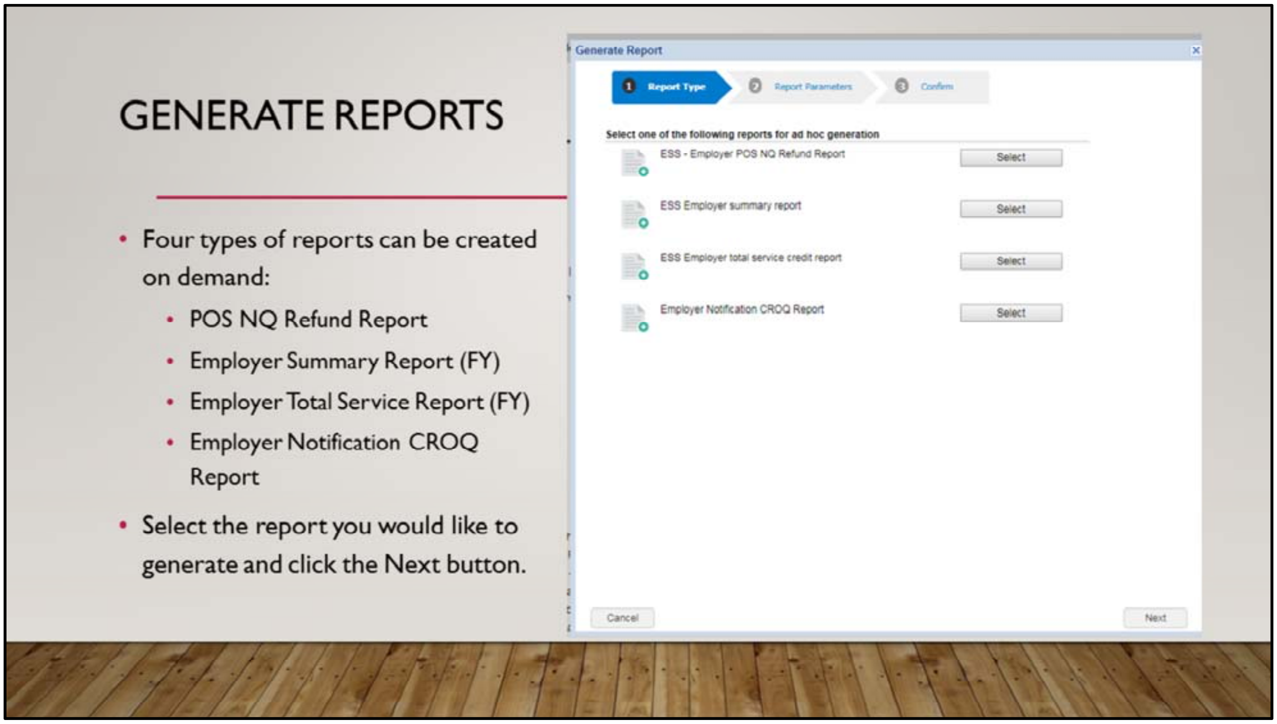
Any of the report types available to employers may be generated as often as you would like. Two of them require a fiscal year to be entered, while the other two require that you select a specific run date for the report. This will give you the opportunity to ensure the reporting is accurate throughout the fiscal year instead of having to wait for PSERS to generate and send employers reports such as the Summary Report once a year.

IMPORTANT: POP-UP BLOCKER

- For reports to generate, you must enable the pop-up blocker for this website.
- To do this, click on the red icon in the Browser tool bar.
- Choose the option to allow pop-ups for this website.



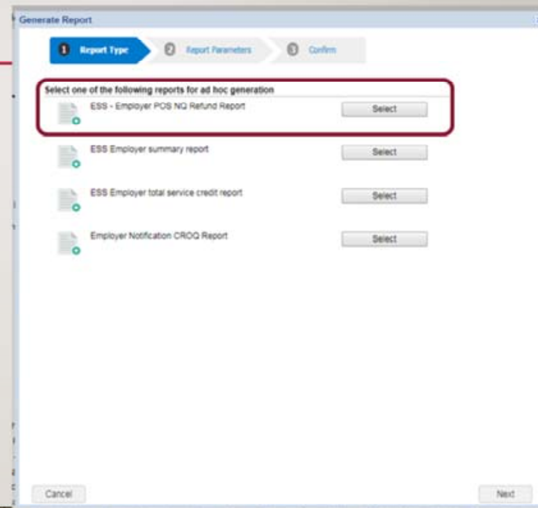
The first time you go to generate a report from the Quick Links you will need to change the settings on your computer to allow for pop-ups from this website. Once this option is selected, you should not have to do this again.

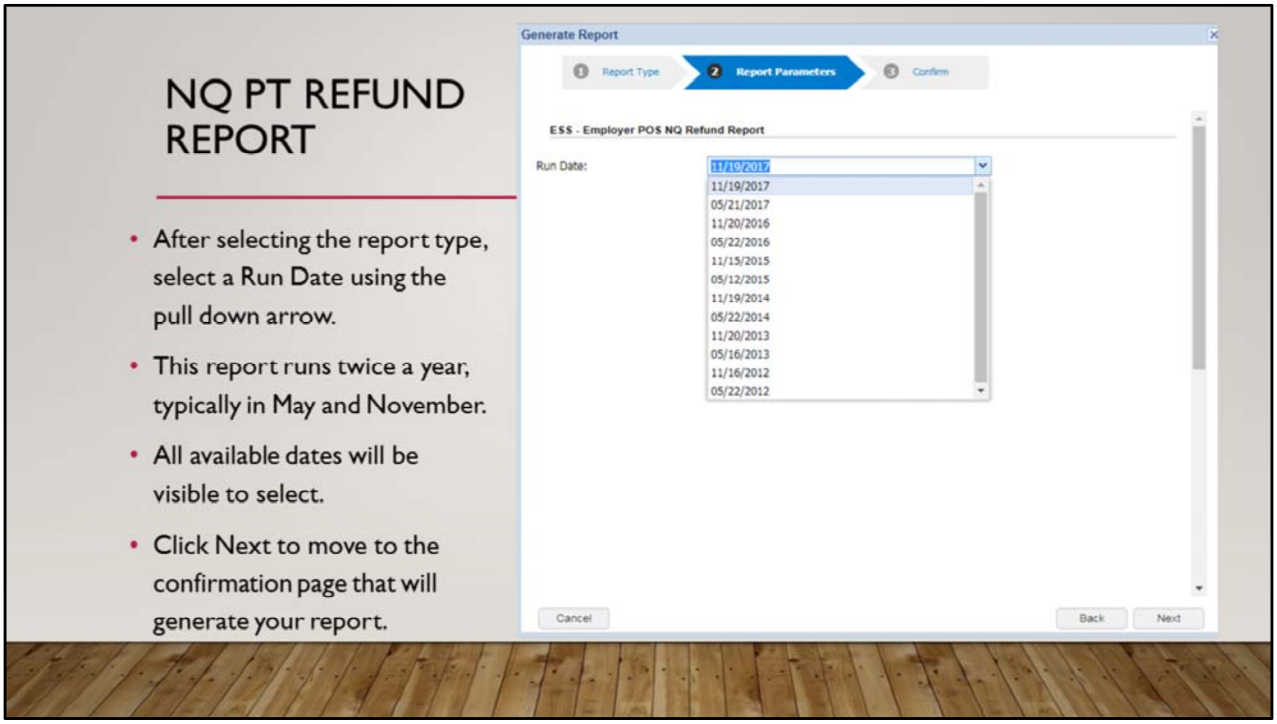


When you click on the Generate Reports link, a three-step wizard will appear that will assist you in creating the report you are seeking. Use the Select button to indicate which report you would like to create and click the Next button in the bottom right of your screen. Let's walk through how to generate the reports, starting with the Employer POS NQ Refund Report. This report may also be known to you as the "Act 29" report.

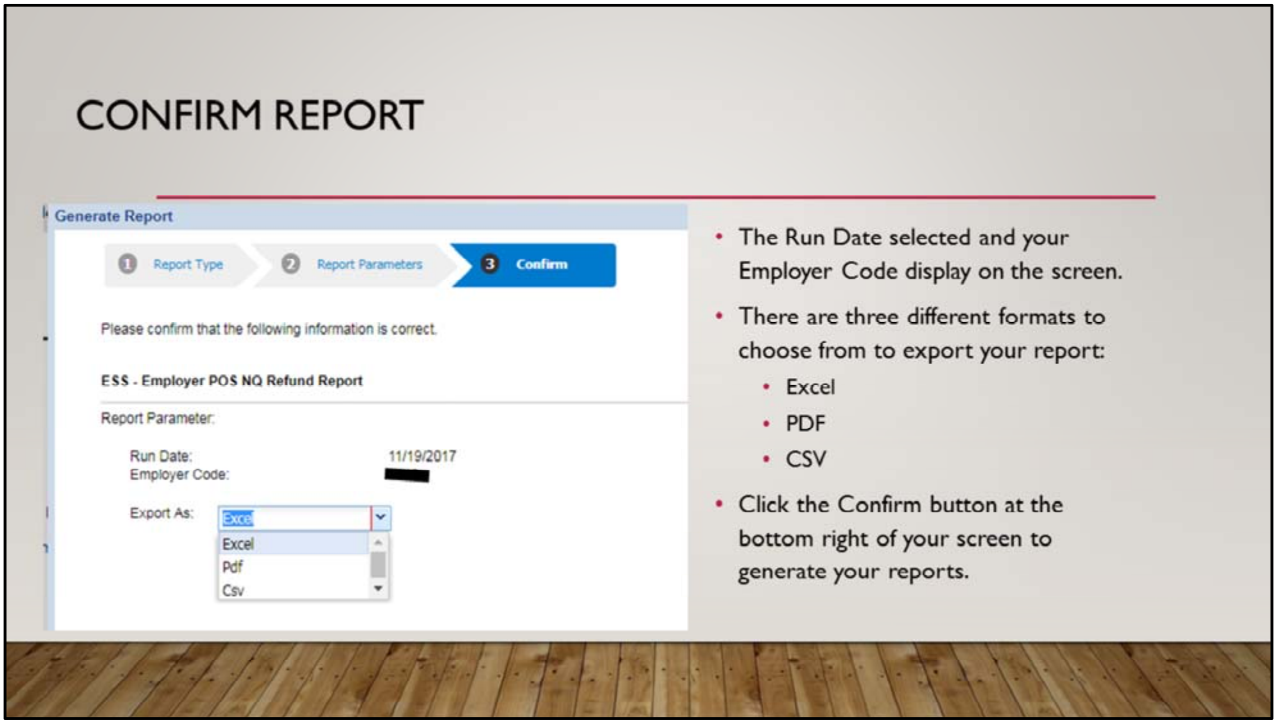
EMPLOYER POS NQ REFUND REPORT

- This report is system generated twice a year, typically in May and November, and provides employers with a reconciliation from the previous quarters for purchases of Non-Qualified time and adjustments that have taken place.
- You may be more familiar with "Act 29" being part of the title of the report.
- To access the report, click the Select button next to this report.



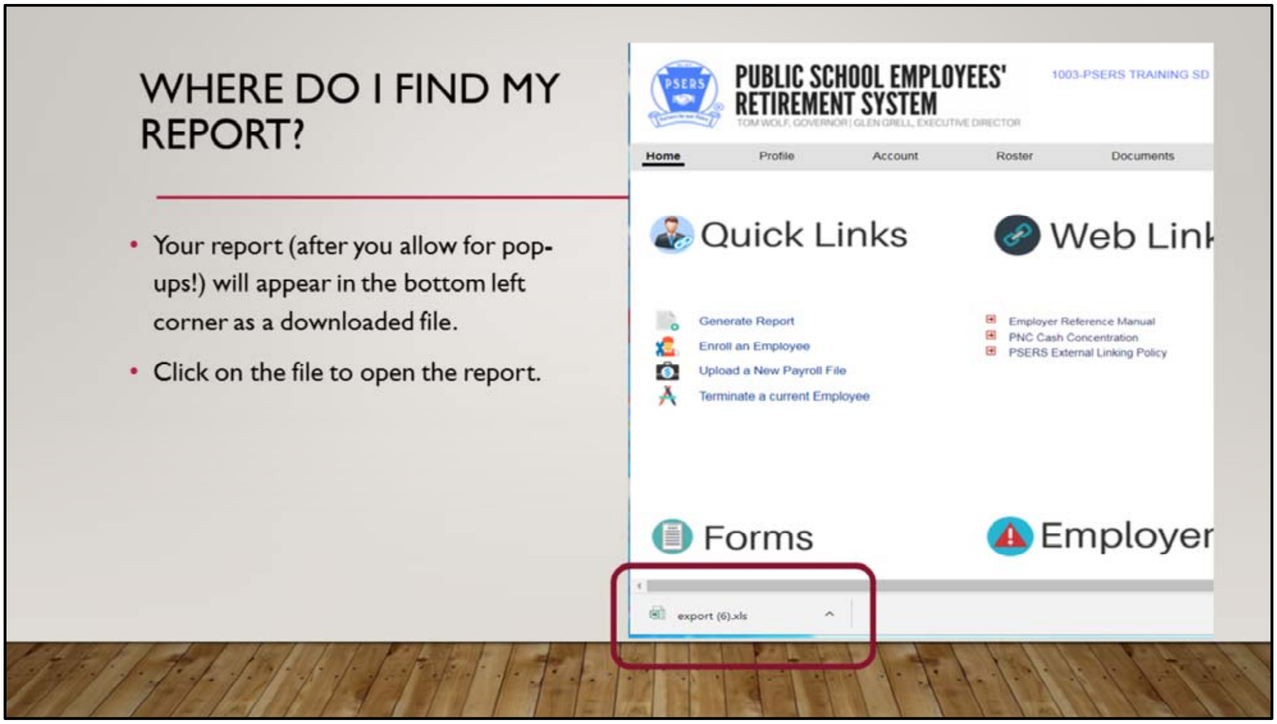


For this type of report, you will be asked to select a Run Date. The dates the report was generated will be pre-filled in the Run Date section. We encourage you to run this report from the Generate Reports tab so you have the ability to choose a file format. This report will also be available after the system run-date in your Documents tab, but only in a pdf format. For May 2018 only, this report was not generated due to the transition of systems. Instead it may be run later in the summer, or possibly consolidated into the November report.



The third step in the wizard allows you to confirm the type of report, the Run Date and Employer Code the report should be generated for will display on the screen. You may choose which format you would like to view your report. Options include Excel, Pdf, and CSV formats. Our recommendation is to use an Excel or CSV format if you would like to be able to filter or manipulate the data within your report. The Confirm button is at the bottom right of the screen after you have chosen your format.

If you support the work reporting for multiple schools you will need to log into each school separately to run the report. This can be done by going to the profile icon in the upper right corner of your Dashboard. There will be a “change school” option.



Because you have already followed the directions to allow for pop-ups (right?), your report will appear in the bottom left corner similar to a downloaded file. You can access the report by clicking on the box. If you would like to retain this report, please save it locally on your computer. ESS will not retain a copy of this report because it can be run on an as-needed basis.

How do you know which format to load your reports into? This may be an individual or a school preference, or perhaps it depends on how you would like to use the report. There are formatting differences between the Excel and CSV files, such as the spacing and columns. As you can see in the slide above, we selected the Excel format for the Employer NQ POS Refund Report.

EMPLOYER POS AND NQ REFUND REPORT

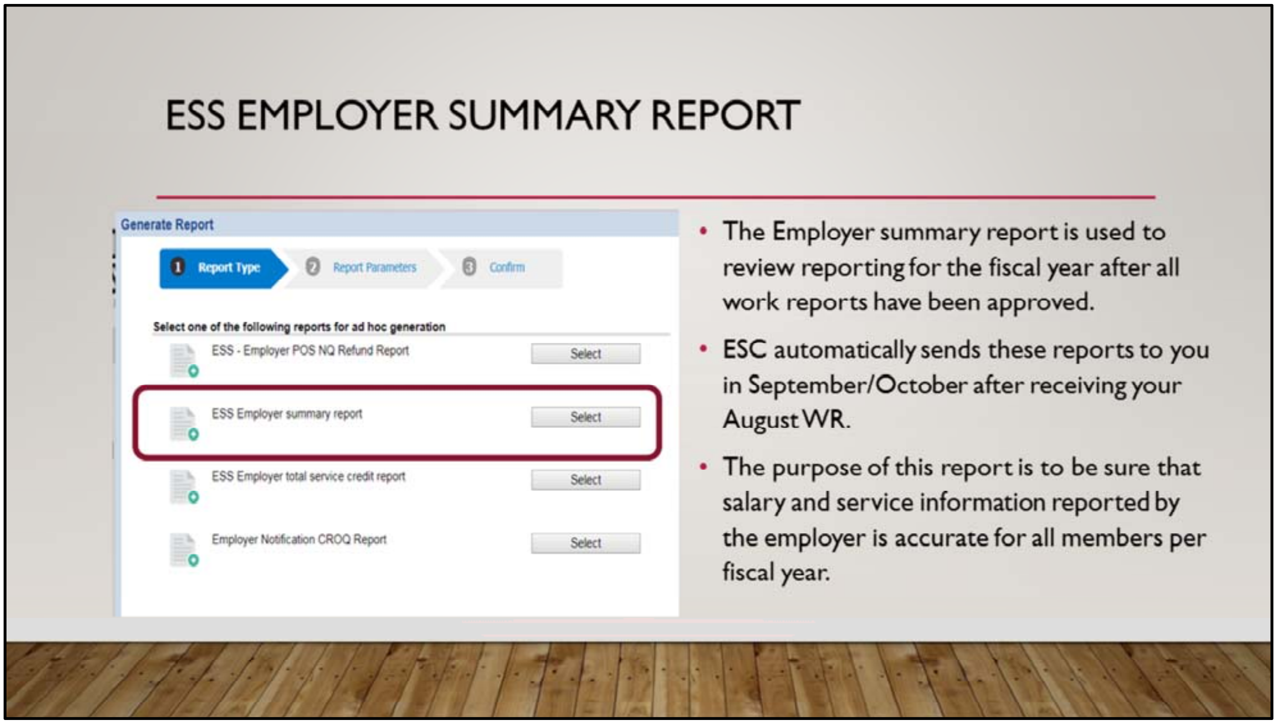
Employer POS and NQ Refund Report

EMP # Exp:1004 Exp: PSERS TRAINING SD

SSN	Name	Service From Date	Service To Date	Salary	Status Effective Date	Enrollment Date	Purchase Year	Exist or New	Contribution Rate	MV/PI AR	> AR or .5	Reimbursement	Transaction Type
181-00-92	FOX, SLY	07/01/2012	06/30/2013	2447.24	10/04/2017	07/01/2009	2013	N	0.1236	0.3556	0.5	151.24	POS
193-00-55	SALMON, PINK	07/01/2012	06/30/2013	3894.19	09/28/2017	08/24/2009	2013	N	0.1236	0.3556	0.5	240.66	POS
210-00-15	GARDNER, BE A	07/01/2016	06/30/2017	6915.8	07/09/2017	08/15/2008	2017	N	0.3003	0.413	0.5	1038.41	POS
377-00-10	HOG, HEDGE	07/01/2008	06/30/2009	6840	07/25/2017	07/01/2006	2009	N	0.0476	0.3594	0.5	162.79	POS
160-00-33	SNAIL, STANLEY	07/01/2016	06/30/2017	5204.81	05/14/2017	07/01/2016	2017	N	0.3003	0.413	0.5	781.5	POS
173-00-77	RABBIT, ROGER	07/01/2008	06/30/2009	5947.61	08/23/2017	07/01/2008	2009	N	0.0476	0.3594	0.5	141.55	POS

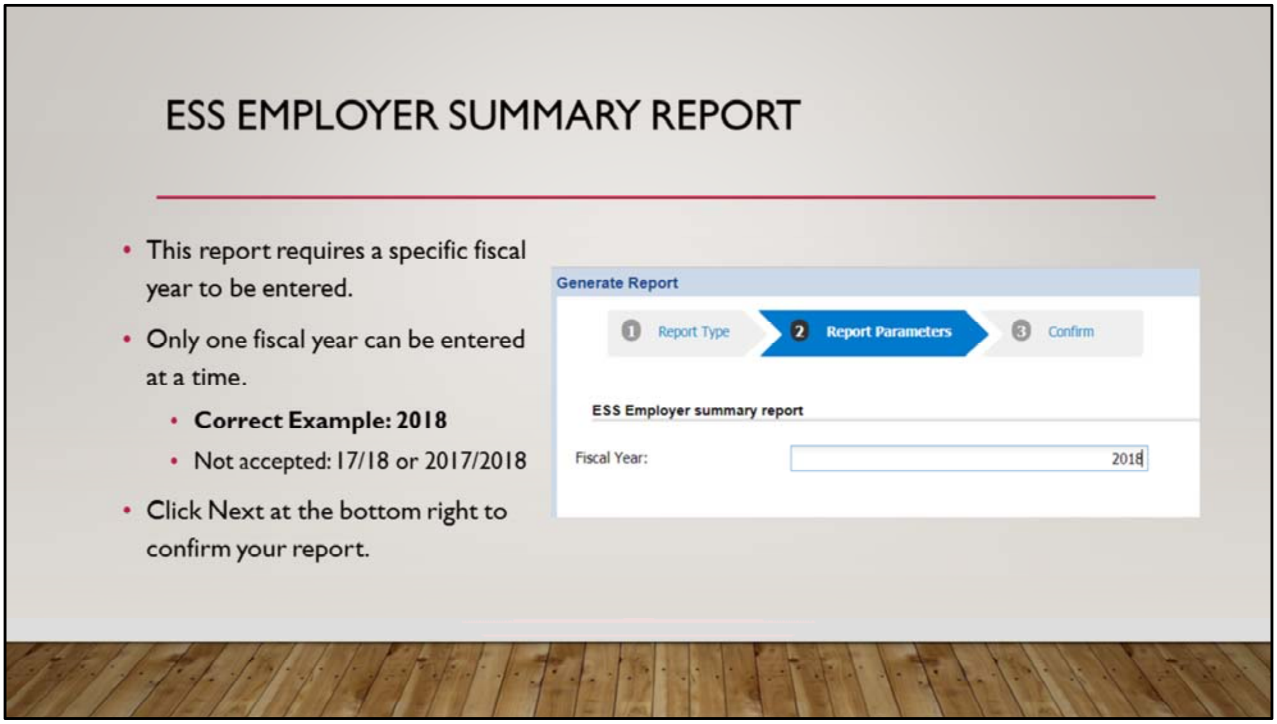
The title of the report will appear at the top of the page, along with the Employer Code and the name of your school. The full SSN will appear on your report. For training purposes we have shortened the SSN and altered the actual names of the members so we can show the information available on this report.

Let’s move to the next report type.



The Employer Summary Report is a comprehensive report that shows all salary and service that has been reported for each employee within a fiscal year. Years ago, you may have received this report after the June work report was submitted. Currently, it is sent by ESC to each employer after the August work report is submitted each year so Balance of Contract is included with the fiscal year. The purpose of this report is to be sure that the salary and service you have reported matches your records and is accurate for that particular fiscal year.

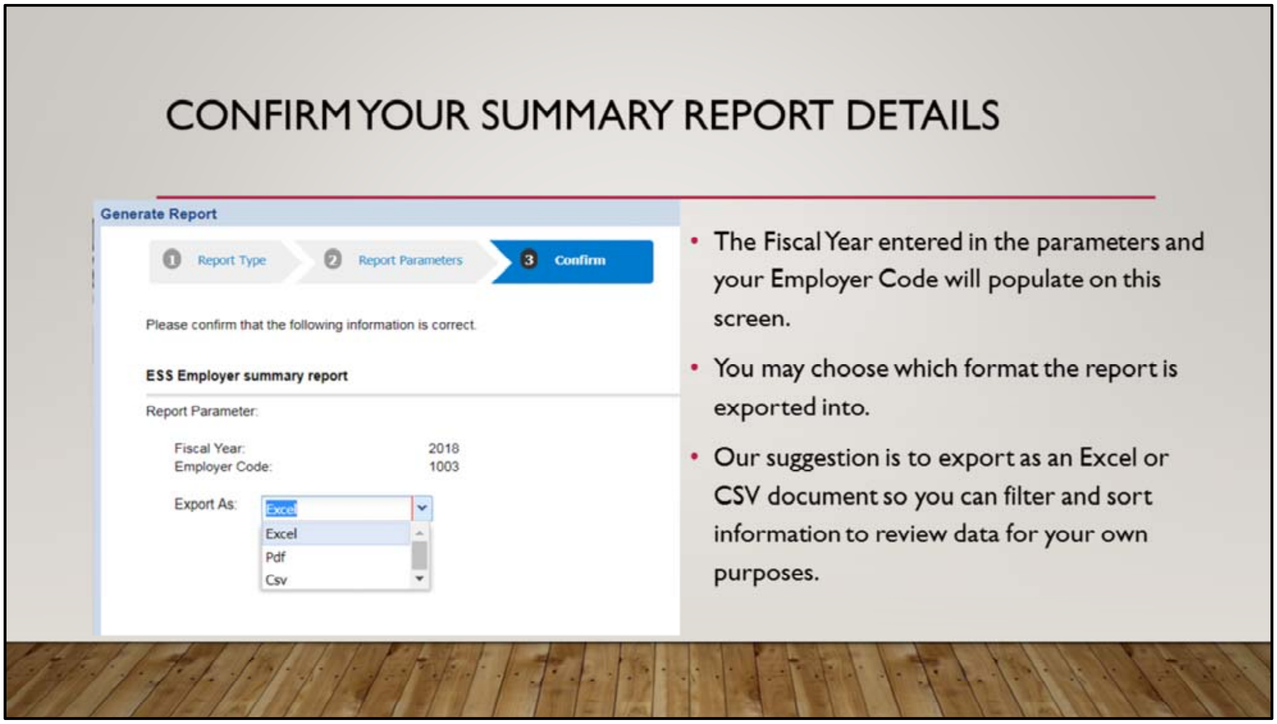
ESC requests that you carefully review the data in this report each fall which is when members receive their Annual Statement of Account. This information is what will populate salary, and service information on a member's Statement of Account. For details to be correct on a member's Statement of Account, your school must report accurate information. If your totals disagree with what is on that the report, an adjustment will need to be created so the totals are accurate. After you have completed your review of the Summary Report, be sure to let your ESC Representative know that all corrections have been made.



The Summary Report will ask for a fiscal year instead of a run date like the Employer NQ POS Refund report. The fiscal year begins in July and is the year in which the school year ended that should be populated.

The Summary Report can be run on-demand, meaning that the data will be available for everything that has been reported and released to date in ESS. If you have more current information in your payroll software than what has been reported it may cause the totals to look incorrect on the report.

We encourage to generate this report regularly to maintain reporting accuracy rather than waiting until the end of the school year to handle adjustments or corrections.



Again, PSERS recommends using either the Excel or CSV formats if you would like to sort or filter your report data. In the next few slides we have examples of those two formats so you can see what the differences would be.

EMPLOYER SUMMARY REPORT (EXCEL VERSION)

Employer Summary Report

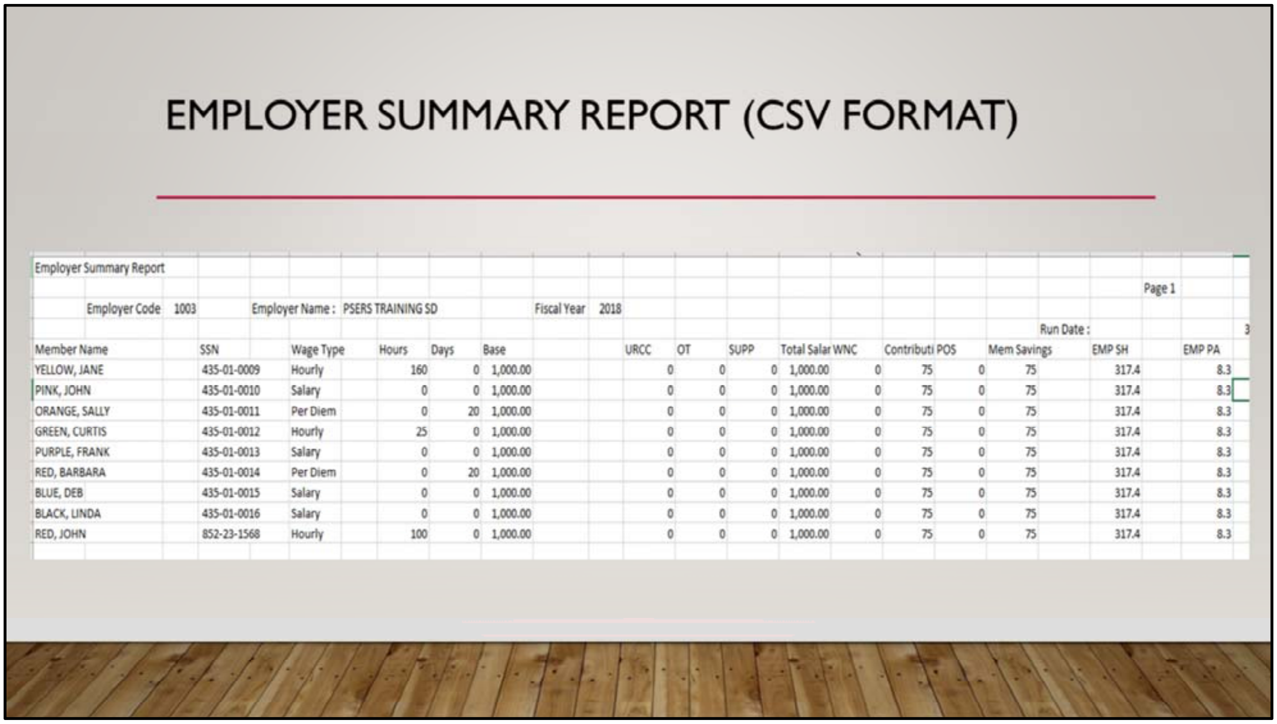
Employer Code 1003 Employer Name : PSERS TRAINING SD Fiscal Year 2018

Page 1 of 1

Run Date : 03/6/2018

Member Name	SSN	Wage Type	Hours	Days	Base	URCC	OT	SUPP	Total Salary	WNC	Contributions	POS	Mem Savings	EMP SH	EMP PA
YELLOW, JANE	435-01-0009	Hourly	160.00	.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
PINK, JOHN	435-01-0010	Salary	.00	.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
ORANGE, SALLY	435-01-0011	Per Diem	.00	20.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
GREEN, CURTIS	435-01-0012	Hourly	25.00	.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
PURPLE, FRANK	435-01-0013	Salary	.00	.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
RED, BARBARA	435-01-0014	Per Diem	.00	20.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
BLUE, DEB	435-01-0015	Salary	.00	.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
BLACK, LINDA	435-01-0016	Salary	.00	.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30
RED, JOHN	852-23-1568	Hourly	100.00	.00	1,000.00	.00	.00	.00	1,000.00	.00	75.00	.00	75.00	317.40	8.30

The Excel spreadsheet version provides a nicer grid of information.



EMPLOYER SUMMARY REPORT (CSV FORMAT)

Employer Summary Report

Page 1

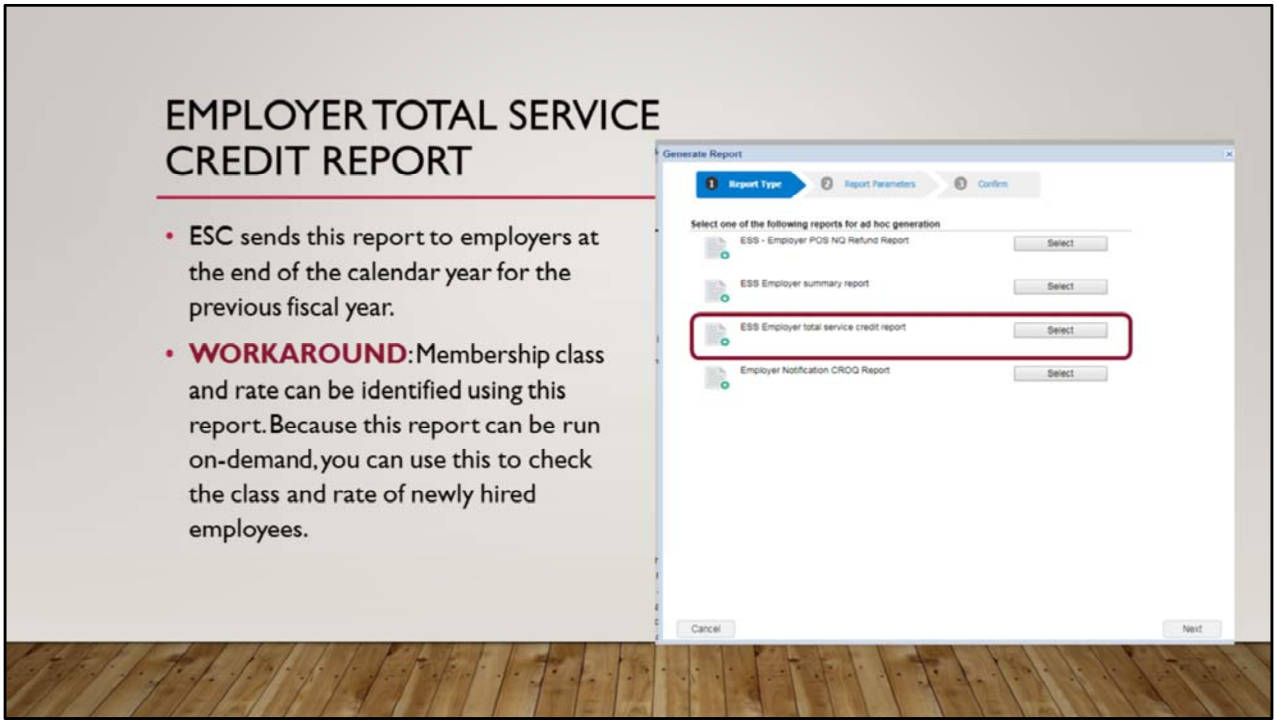
Employer Code 1003 Employer Name : PSERS TRAINING SD Fiscal Year 2018

Run Date : 3

Member Name	SSN	Wage Type	Hours	Days	Base	URCC	OT	SUPP	Total Salar	WNC	Contributi	POS	Mem Savings	EMP SH	EMP PA
YELLOW, JANE	435-01-0009	Hourly	160	0	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
PINK, JOHN	435-01-0010	Salary	0	0	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
ORANGE, SALLY	435-01-0011	Per Diem	0	20	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
GREEN, CURTIS	435-01-0012	Hourly	25	0	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
PURPLE, FRANK	435-01-0013	Salary	0	0	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
RED, BARBARA	435-01-0014	Per Diem	0	20	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
BLUE, DEB	435-01-0015	Salary	0	0	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
BLACK, LINDA	435-01-0016	Salary	0	0	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3
RED, JOHN	852-23-1568	Hourly	100	0	1,000.00	0	0	0	1,000.00	0	75	0	75	317.4	8.3

The CSV version has a little more space but displays the same information.

The next report that you can generate is the Employer Total Service Credit Report.



Many employers have had concerns about where to find the rate and class for new employees. In the old system, once an Active contract record was created for the new employee, the rate and class would populate. In the ESS system, that information is only available on the Account Tab under Actions by the newly submitted and released Monthly work report and selecting Edit. Here you will be able to find the rate and class for your new employees. Obviously, waiting until a work report is submitted and approved is not ideal for finding out the membership class and contribution rate!

To circumvent this situation, please utilize the Service Credit Report. After an employee's Demographic and Contract information has been entered into ESS, you may run the Service Credit Report to determine the rate and class of new employees. We recommend entering the new hire data at the end of the previous week, Thursday or Friday, and running the report late in the day on Monday. The data table that this report uses is refreshed on Monday mornings. The report will need to be run for the current fiscal year in order to find your new employee.

As always, you can also send a list of new employees to your ESC Representative and they will be able to assist you. We have communicated this issue to our developers and hope that a better solution will be integrated into a future product build.

UPDATE: Employers who upload their contract record files can see the membership class and contribution rate on the <u>processed</u> report for new hires.

EMPLOYER TOTALS SERVICE CREDIT REPORT

Employer Total Service Credit Report

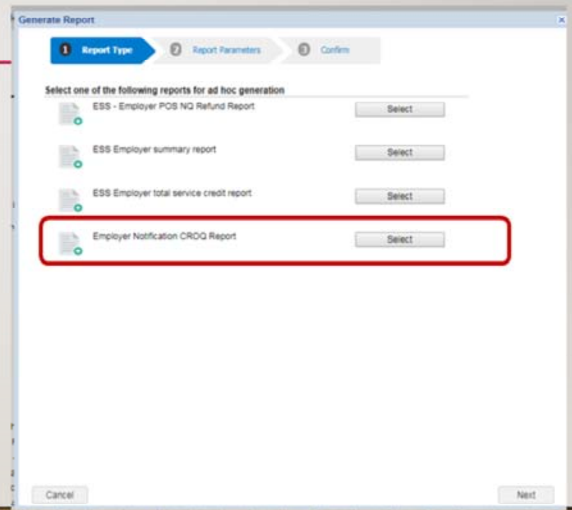
Run Date 03/06/2018 | Employer Code 1003 | Employer Name : PSERS TRAINING SD | Fiscal Year : 2018 | Page 1 of 1

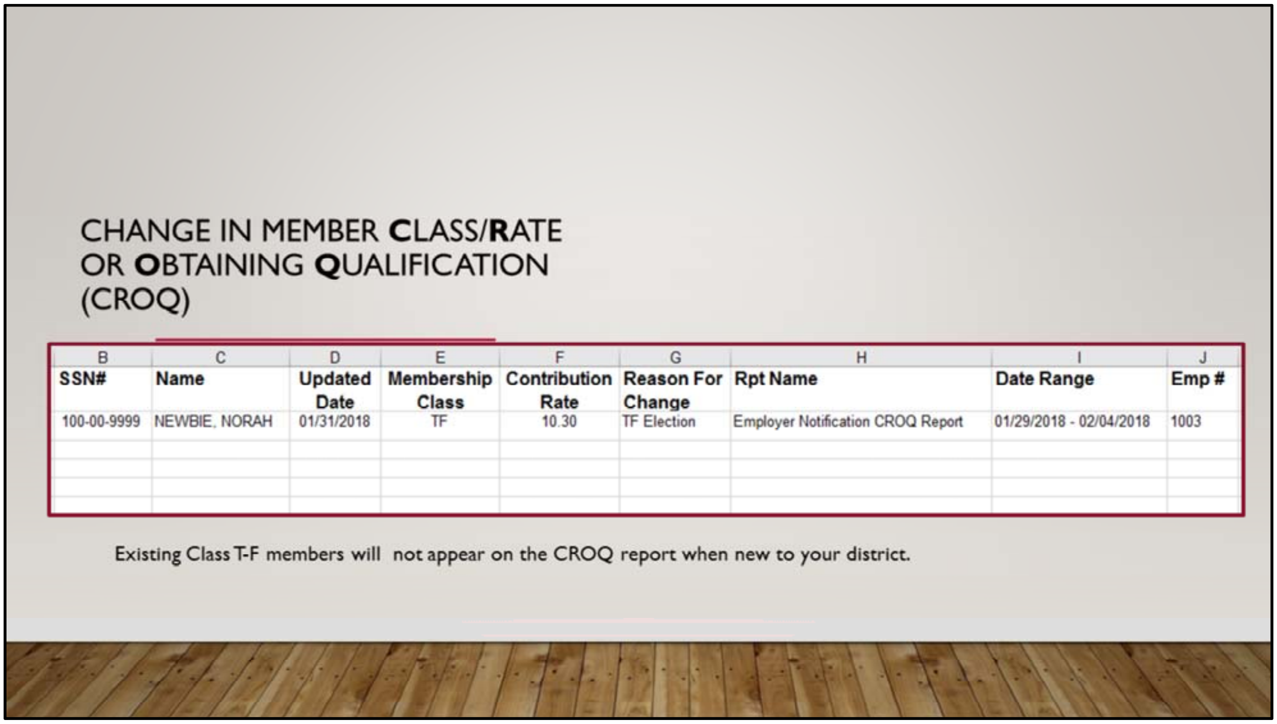
SSN	Member Name	PSERS Credited	Birth Date	Member Status	Enrollment Date	Contribution Rate	Membership Class	Valid Address
435-01-0009	YELLOW, JANE	0.45	10/10/1980	Active	09/01/2017	7.5	TE	Y
435-01-0010	PINK, JOHN	0.00	09/15/1972	Active	09/01/2017	7.5	TE	Y
435-01-0011	ORANGE, SALLY	0.33	12/24/1976	Active	09/01/2017	7.5	TE	Y
435-01-0012	GREEN, CURTIS	0.00	08/14/1985	Pending Qualification	09/01/2017	7.5	TE	Y
435-01-0013	PURPLE, FRANK	0.00	06/22/1970	Active	09/01/2017	7.5	TE	Y
435-01-0014	RED, BARBARA	0.00	05/20/1969	Pending Qualification	09/01/2017	7.5	TE	Y
435-01-0015	BLUE, DEB	0.00	11/12/1993	Active	09/01/2017	7.5	TE	Y

This is the Excel version of the Employer Total Service Credit Report. As you can see, the Contribution Rate and Membership Class are visible fields are on the right side of the report. Because this report can be run on-demand using the current fiscal year, your newly hired employee should populate on the report using the rate and class from the main PSERS system by Monday of the following week.

EMPLOYER NOTIFICATION CROQ REPORT

- The CROQ Report notifies the district when district employees change their rate or qualification status.
- The CROQ Report is available each Monday.
- If there are no dates to select, there is no CROQ Report available for your district.





B	C	D	E	F	G	H	I	J
SSN#	Name	Updated Date	Membership Class	Contribution Rate	Reason For Change	Rpt Name	Date Range	Emp #
100-00-9999	NEWBIE, NORAH	01/31/2018	TF	10.30	TF Election	Employer Notification CROQ Report	01/29/2018 - 02/04/2018	1003

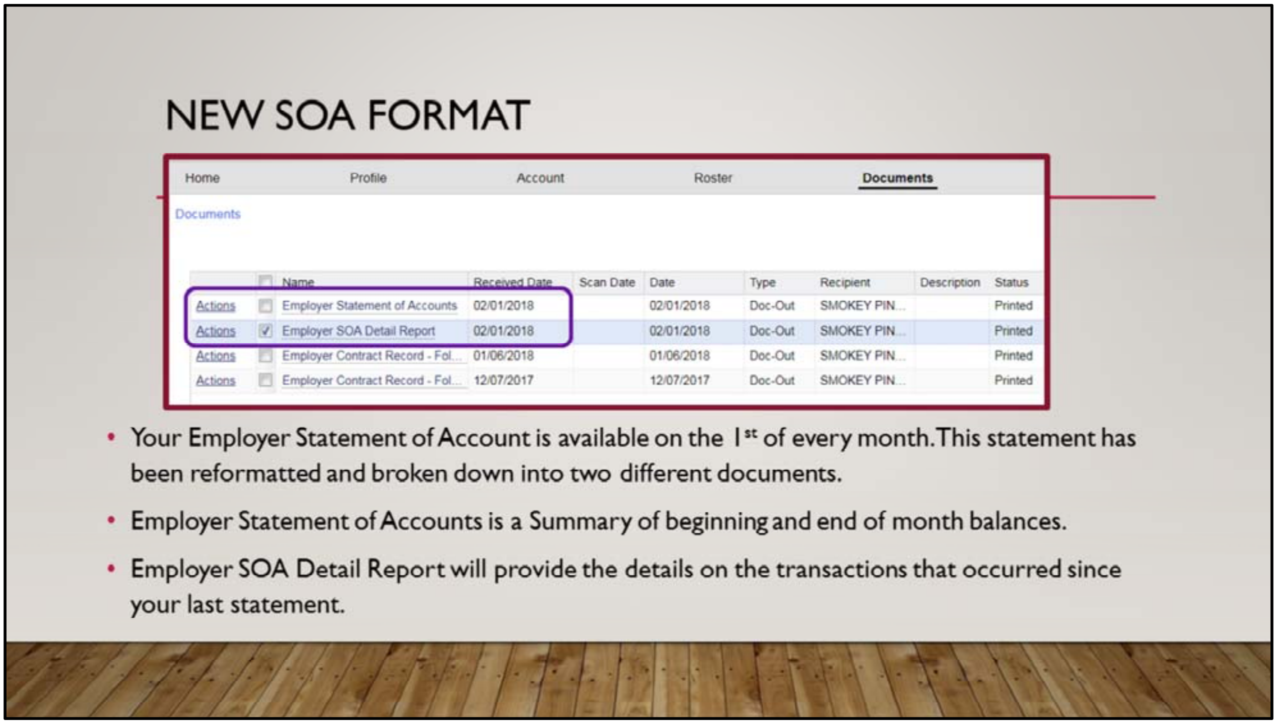
When Class T-F members change employers, the new employer may not be aware they should be contributing at the higher rate and are mistakenly enrolled as Class T-E with a 7.5% rate. The 7.5% rate is less than the required amount and upon uploading their first work report for that member the district receives a "Warning". You must take action to update or correct the contribution rate in your payroll system when you receive a warning. Failure to correct this going forward may result in the next work report appearing as an "Error". If you believe you are receiving this message in error, contact your ESC Representative.

The CROQ report will only notify you of the initial change in qualification for a member, meaning, if they are already an established Class TF member, no further notification will be provided to the next district that member goes to work for.

CROQ reports are stored for 6 months, so if you would like to keep a record of them you should resave the file to your district files.

EMPLOYER STATEMENT OF ACCOUNT (SOA)

New format starting April 1, 2018 includes a Summary document and a Detailed summary document.



Starting with the April 1, 2018 statement of account that was generated for the month of March, you will see two documents that display PSERS transactions and payments from within the month.

The Employer Statements of Account is a one page summary report that shows beginning and end of month balances.

For more detailed information, use the Employer SOA Detail Report. Let's take a look at each document.

EMPLOYER STATEMENT OF ACCOUNTS

- Includes beginning and ending balances, and a summary of transactions for the time period specified on the statement.

Commonwealth of Pennsylvania – Public School Employees' Retirement System

5 N 5th Street
Harrisburg PA 17101-1905
Toll-free: 1.888.773.7748
Fax: 717.772.3860
www.psers.state.pa.us

Employer Statement of Accounts
January 2018 Statement

Mail Center

SMOKEY PINES SD
111 FIREPIT LN
BEVERLY HILLS, CA 90210

Billing Statement

Employer Code: 3404
Monthly Activity

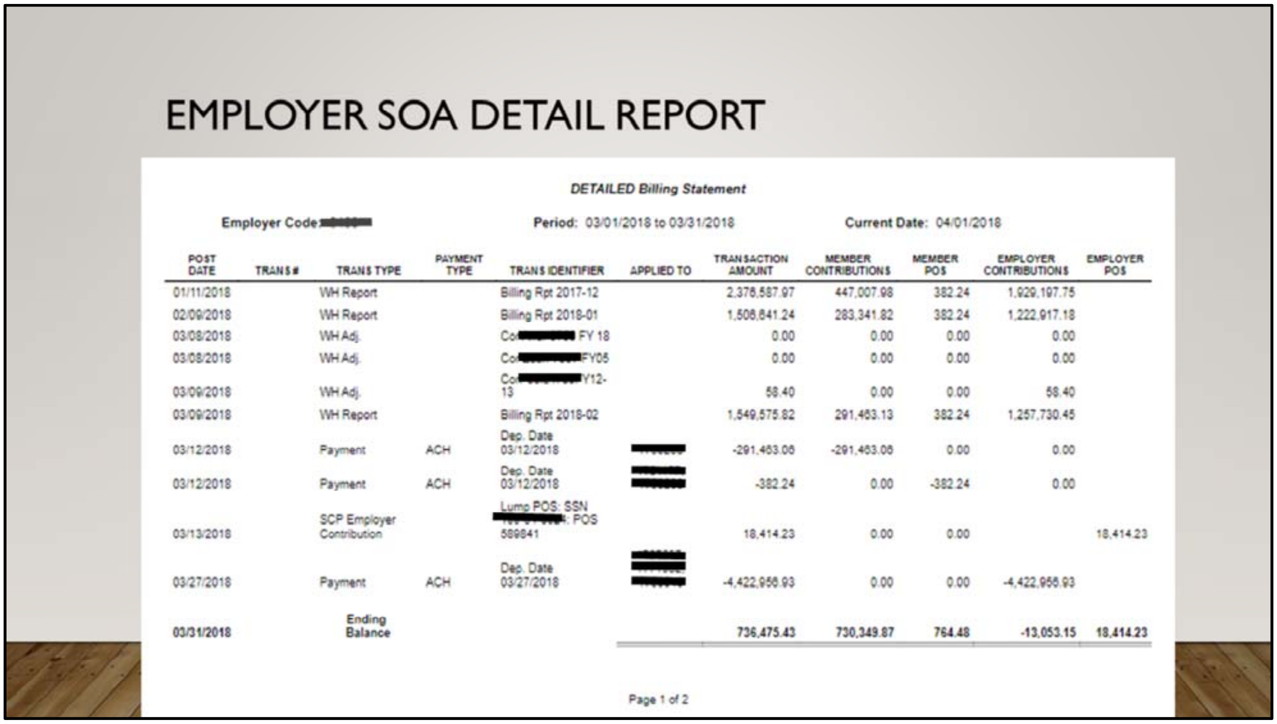
Period: 01/01/2018 to 01/31/2018

Current Date: 02/01/2018

POST DATE	TRANS #	TRANS TYPE	PAYMENT TYPE	TRANS IDENTIFIER	TRANSACTION AMOUNT	MEMBER CONTRIBUTIONS	MEMBER POS	EMPLOYER CONTRIBUTIONS	EMPLOYER POS
01/01/2018				Beginning Balance	**2,241.70**	**287.50**	**0.00**	**1,954.20**	
01/18/2018	1969727	WH Report		Billing Rpt 2018-01	3,205.60	600.00	0.00	2,605.60	
01/31/2018		Ending Balance			**5,447.30**	**887.50**	**0.00**	**4,559.80**	

As a reminder, payments for member contributions are due no later than 10 days after the close of the month for which deductions were withheld. Payments for employer contributions are due quarterly and no later than 5 business days after the Retirement Subsidy reimbursement is paid by the Commonwealth. Payments are due for Employer Purchase of Service no later than 90 days from the Statement of Amount Due generation date.

If payments are not remitted by the established due dates, delinquent amounts may be deducted from your Retirement Reimbursement Subsidy and/or your Basic Education Subsidy.



EMPLOYER SOA DETAIL REPORT

DETAILED Billing Statement

Employer Code: [redacted] **Period:** 03/01/2018 to 03/31/2018 **Current Date:** 04/01/2018

POST DATE	TRANS #	TRANS TYPE	PAYMENT TYPE	TRANS IDENTIFIER	APPLIED TO	TRANSACTION AMOUNT	MEMBER CONTRIBUTIONS	MEMBER POS	EMPLOYER CONTRIBUTIONS	EMPLOYER POS
01/11/2018		WH Report		Billing Rpt 2017-12		2,376,587.97	447,007.98	382.24	1,929,197.75	
02/09/2018		WH Report		Billing Rpt 2018-01		1,506,641.24	283,341.82	382.24	1,222,917.18	
03/08/2018		WH Adj.		Co[redacted] FY 18		0.00	0.00	0.00	0.00	
03/08/2018		WH Adj.		Co[redacted]FY05		0.00	0.00	0.00	0.00	
03/09/2018		WH Adj.		Co[redacted]Y12-13		58.40	0.00	0.00	58.40	
03/09/2018		WH Report		Billing Rpt 2018-02		1,549,575.82	291,463.13	382.24	1,257,730.45	
03/12/2018		Payment	ACH	Dep. Date 03/12/2018	[redacted]	-291,463.06	-291,463.06	0.00	0.00	
03/12/2018		Payment	ACH	Dep. Date 03/12/2018	[redacted]	-382.24	0.00	-382.24	0.00	
03/13/2018		SCP Employer Contribution		Lump POS: SSN [redacted]: POS 589841		18,414.23	0.00	0.00		18,414.23
03/27/2018		Payment	ACH	Dep. Date 03/27/2018	[redacted]	-4,422,956.93	0.00	0.00	-4,422,956.93	
03/31/2018		**Ending Balance**				**736,475.43**	**730,349.87**	**764.48**	**-13,053.15**	**18,414.23**

Page 1 of 2

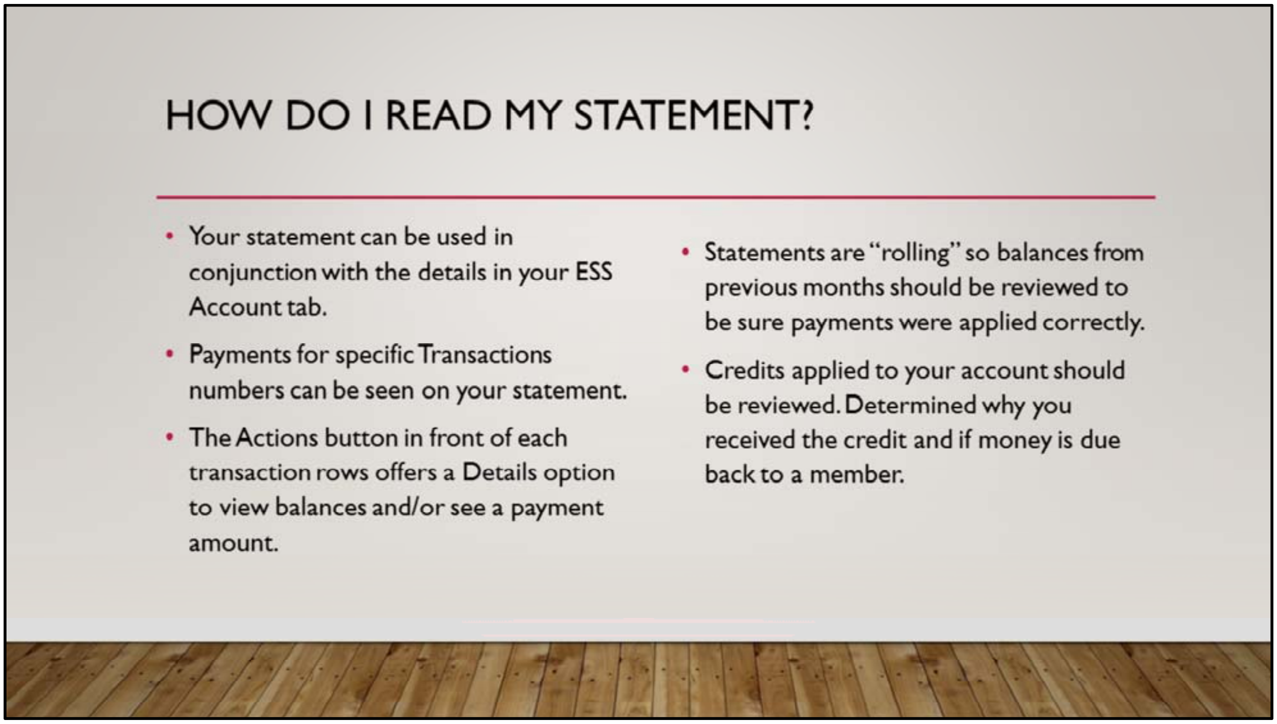
The Detail Report will display the Posting Date of the Transaction, the Trans #, the Type of the Transaction and the Transaction Identifier.

Each row breaks out Member Contributions, Employer Contributions, and POS money from left to right within the same transaction row.

For payments made, all transaction numbers where money was applied will be listed.

NEW: Due dates are not listed on the Detail Report.

- Member Contributions are due to PSERS by the 10th of each month for the previous month.
- Employer Contributions are due quarterly and are paid a quarter behind. Payment for the Employer Share must be received by PSERS five days after the Commonwealth pays their retirement contribution subsidies.
- Employer Purchase of Service payments are due no later than 90 days from the creation date of the Employer Statement of Amount Due.



New to the Employer Statement, at the bottom of the SOA Detail Report, any delinquent work reports as of the date of the statement generation will be listed.

Reminders of when payments are due will also be listed and the consequences for late payments will be reviewed.

As you are aware, the balances posted with the April 1st Employer Statement of Accounts were not correct. Our software provider is working to correct this and is hoping that with the posting of the July 1st statements, the issue will be resolved. In the meantime, please utilize the Account Tab to review the balances due to PSERS. Below is an overview of how to read the Account Tab:

READING THE ACCOUNT TAB:

When you navigate to the Account Tab, the default setting is for only Open items to be displayed. Since that is the case, only items that have payments due to PSERS or credits on the transaction will be listed. If you scroll to the bottom of the Account Tab table, all columns are totaled for your convenience. The Employer Share due would be the total of the Emp Share Balance plus the Emp Prem Balance columns, the Member Contributions are totaled in the Mem Saving Balance column and the Member POS due is in the Mem POS Balance column. Please be advised, if Employer Accounting has requested a subsidy deduction for your reporting unit, these items will no longer appear under the Open item status. These items will be on Hold as well as Court Award Adjustments. To look for these items please change the filter to All.

The number in those columns represent the current balance due to PSERS for that column. If that number does not look familiar to you, payments or credits may have already applied to that figure. If you scroll to the right on the table the Balance Column represents the current balance due in all columns. The Debit Column represents the original balance of all columns and the Credit Column represents any payments or credits that were applied to that line.

If you are interested in finding out where the payment or credit amount came from, you can click the Actions Tab to the left of the line you would like to view, select Details. The table in this view will show what credits were applied and the Transaction Number of those items.

If you have two pages on the Accounts Tab, please be aware that the totals at the bottom of the columns is per page. If you have multiple pages, you can change the Records Count in the bottom right hand corner of the screen to represent the number of items in your Account Tab (the records count can be as high as 500), that way the entire Account Tab can be totaled.

UNDERSTANDING THE DOCUMENTS TAB AND PAPERLESS DELIVERY

Understanding what Paperless Delivery is and how it works.

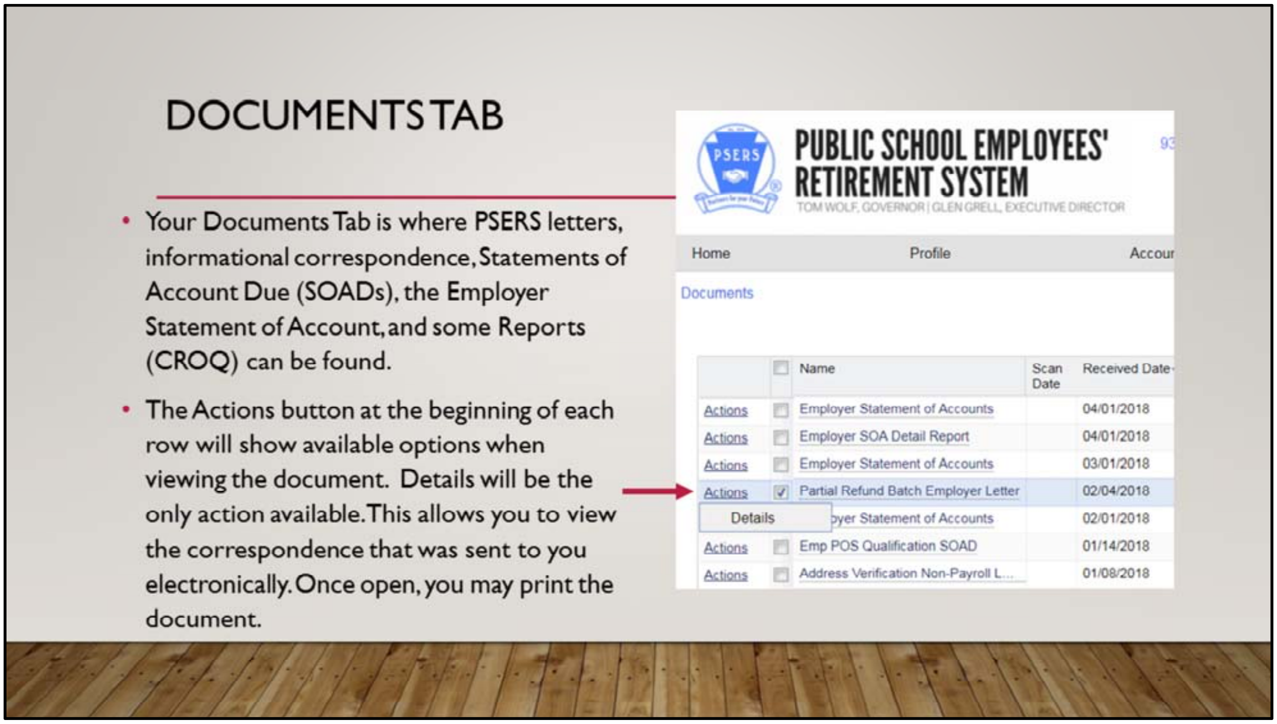
PAPERLESS DELIVERY

- **All employers** are part of **Paperless Delivery,** meaning that PSERS documents will be electronically sent via email rather than coming to your office on paper.
- **All Contact Roles must be kept up to date for documents to be electronically delivered.**
  - **Most important: Monthly Reporting, Business Manager, Superintendent, Retirements**
- When a new document is available, the contact person who is designated to receive that type of document will receive an email to alert them that there is a new document waiting for them.
- Documents created for your school before ESS went live will display, but may only be available in a pdf format. Documents were converted over as far back as 03/01/2014.
- Documents such as the Statement of Amount Due (SOAD) can be printed and mailed to PSERS with your lump POS payment check.

Contact roles play an important role in how paperless delivery works. Each document is "bookmarked" to a specific contact type. If there is not a valid email address associated with that contact type, the document will not display on your school's ESS Document tab. You may have noticed that every time a document is generated an email notification is sent to alert you that new documents are waiting. These are sent by the system through a resource account. We kindly ask that you do not respond back to the resource account because it is an unmonitored account and you will not receive a response. If you have questions, please contact your ESC representative directly.

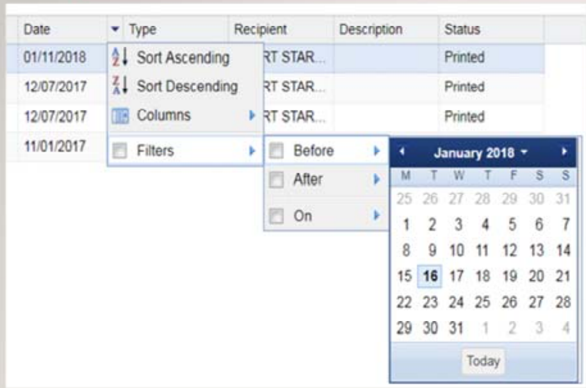
So if your Business Manager leaves the school and you end-date their contact information, you must enter someone else as the contact in the interim until a permanent replacement can be found. Remember, the Monthly Reporting, Business Manager, and Superintendent roles should be kept up to date at all times.

If an email address is rejected by the system, that email address will be removed from the system and documents for that contact type will not appear in your documents tab.



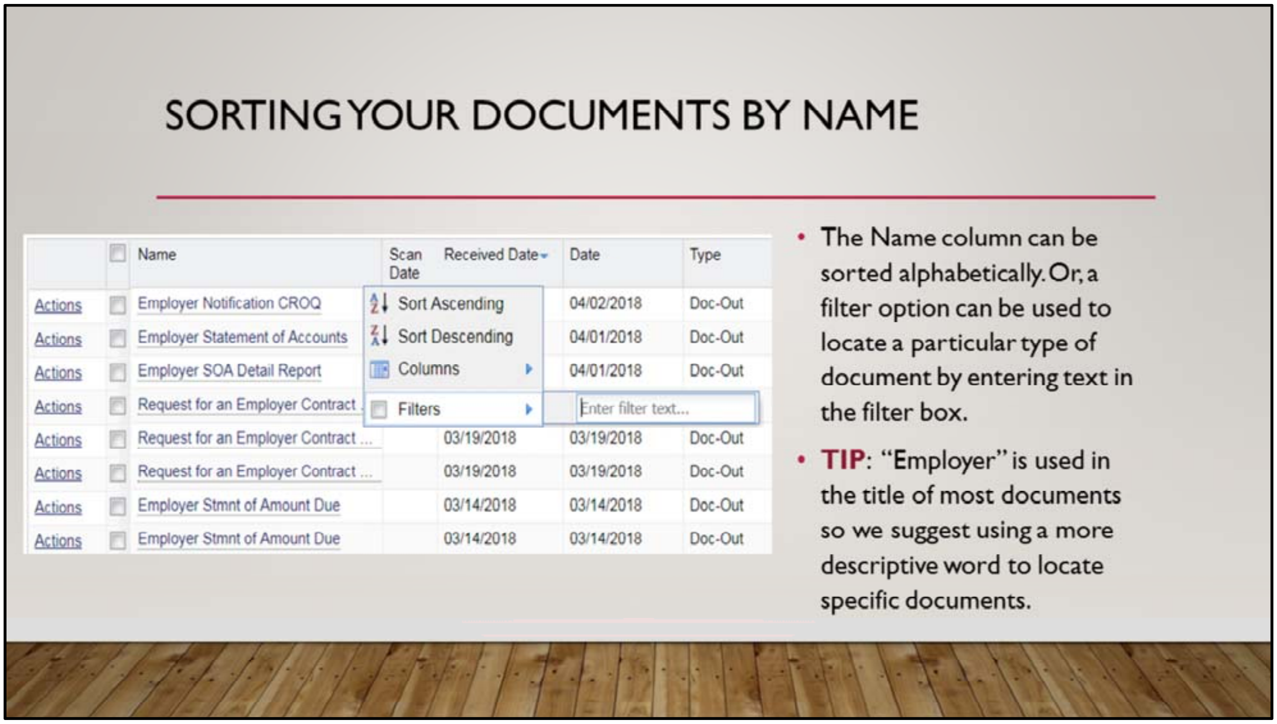
Clicking on the Actions button will allow you to view the details of a particular document. Once open, the document may be printed. We have heard concerns where schools would like the ability to be able to determine if they have reviewed a document or if it is new, or the possibility to archive older documents so it limits the number of documents you have to search through to find information. These concerns were shared with our software developers, and we are hoping that these system enhancements may be part of a future build.

SORTING YOUR DOCUMENTS BY DATE



- Similar to the other tabs, the identifiers in the header row of the Documents tab have the ability to be sorted according to your preference.
- To do this, hover above the right side of the identifier. This populates a pull down menu that displays your viewing or sorting options.
- For example, the Date column can be sorted from most or least recently received documents. The filter can be set further to find items before, after, or on a particular date.

Some schools will receive a large number of documents. One way to find documents easier may be to sort them by the date received. By using the Filters option, you can set Before and After dates so you are only viewing documents for a particular timeframe.

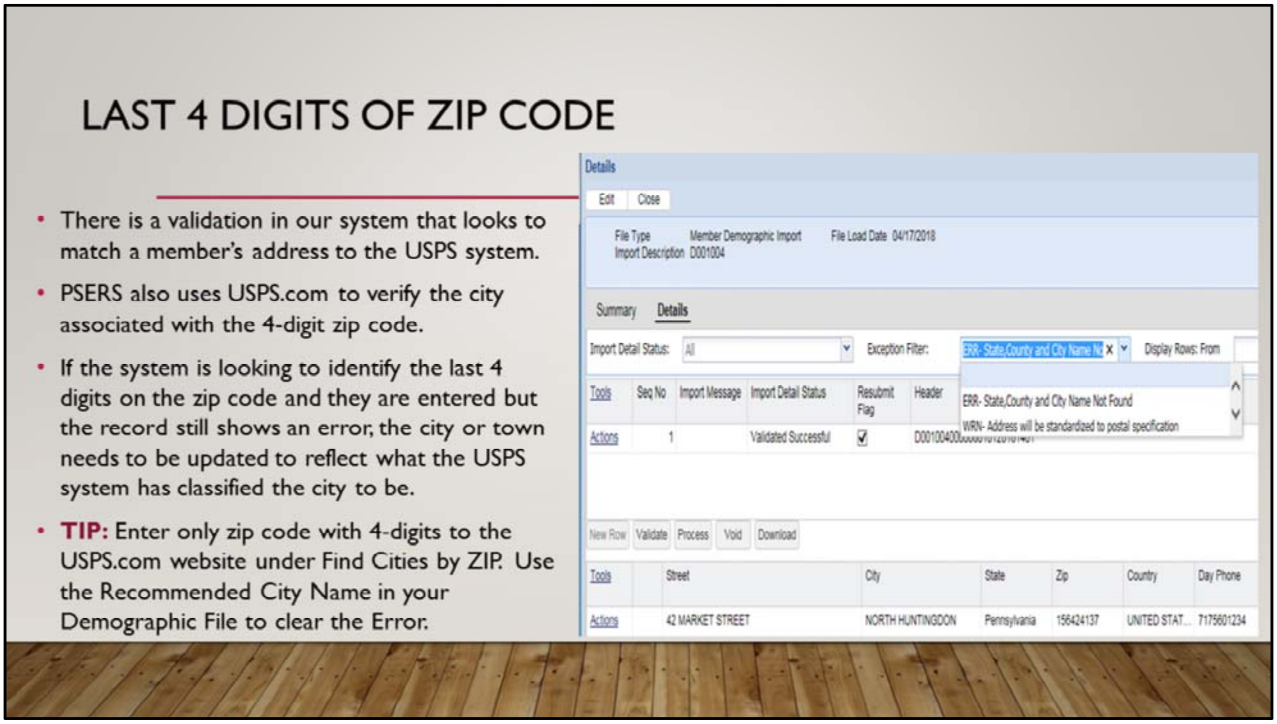


Another way to sort through the documents is to use the Filters option on the Name tab. Here, you can enter a specific keyword to search for a particular document type. We caution that using the word "Employer" will not yield good results since most employer documents have this word in the title.

Please remember that using the filter option will be helpful in locating certain documents, but **your filter selection will remain in place the next time you access the system.

ADDRESS ISSUES

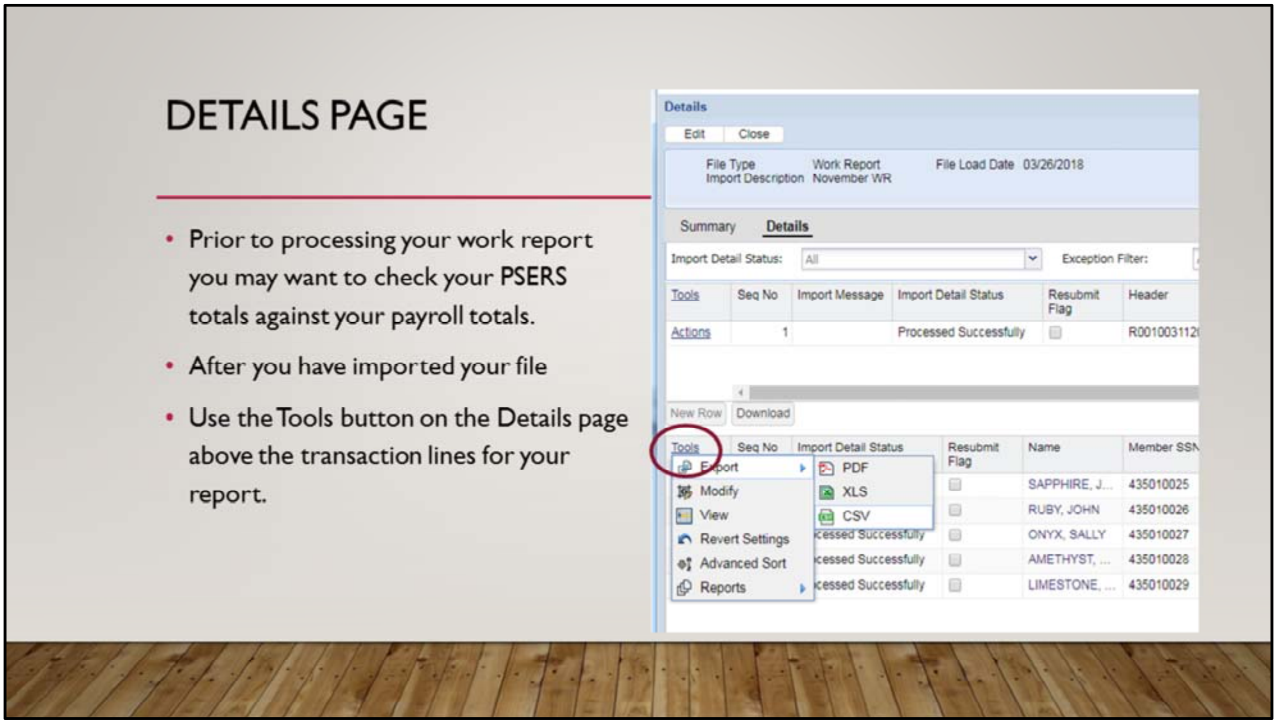
ERR-State, County and City Name not Found



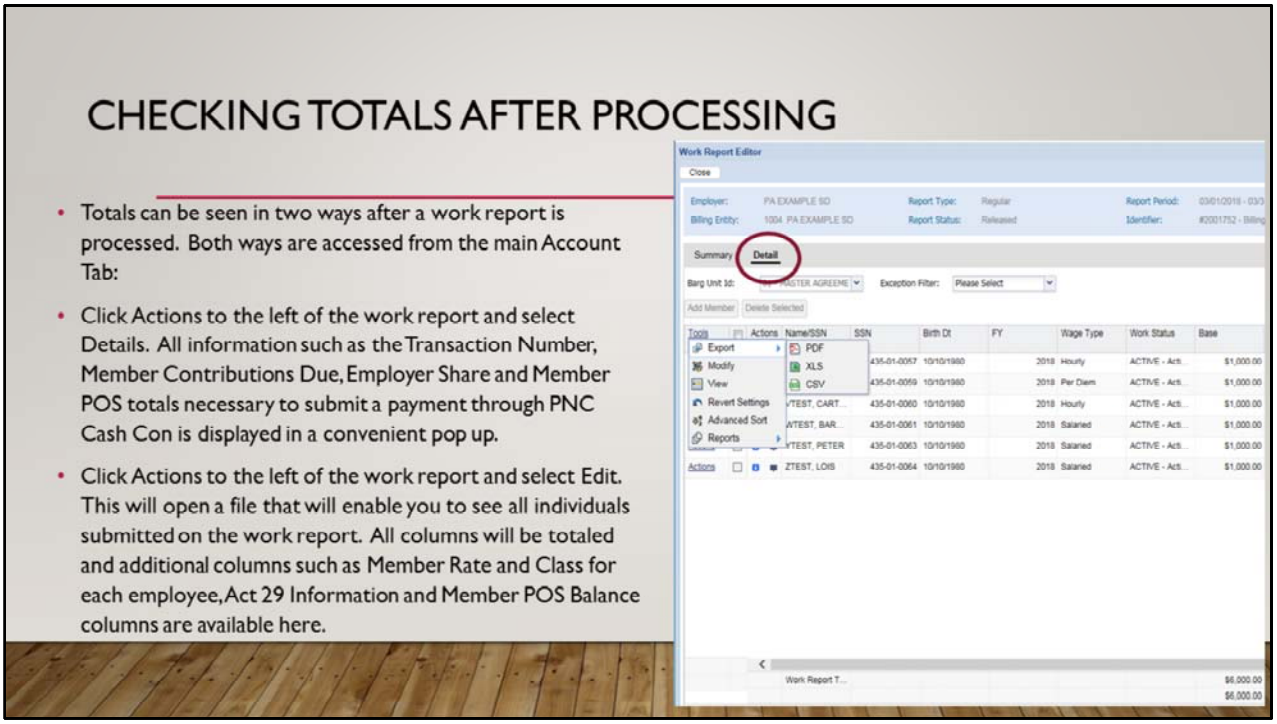
In addition to PSERS updating their system, it appears USPS.com has recently updated their website as well. If you already have the last 4 digits of the zip code and are still unable to clear the error message, go to Look Up a ZIP Code on USPS.com, select Find Cities by ZIP. Input the entire ZIP code plus the 4-digit extension and select Find. There will be a recommended city. If that is not what you have on your Demographic Import, change it to match the information from USPS.com, save and apply. Your error should be corrected.

CHECKING WORK REPORT TOTALS

Verifying your PSERS Work Report Vs Payroll information



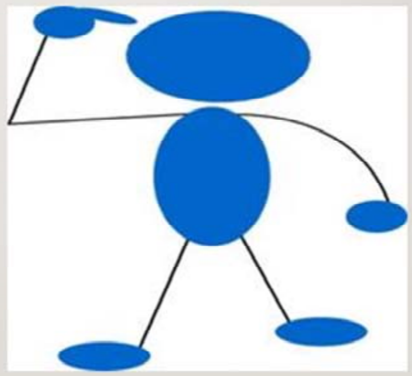
Export the work report file in the format of your choice. Using Excel or CSV will be most helpful so that the data you export can be summed and manipulated as necessary to verify that information.



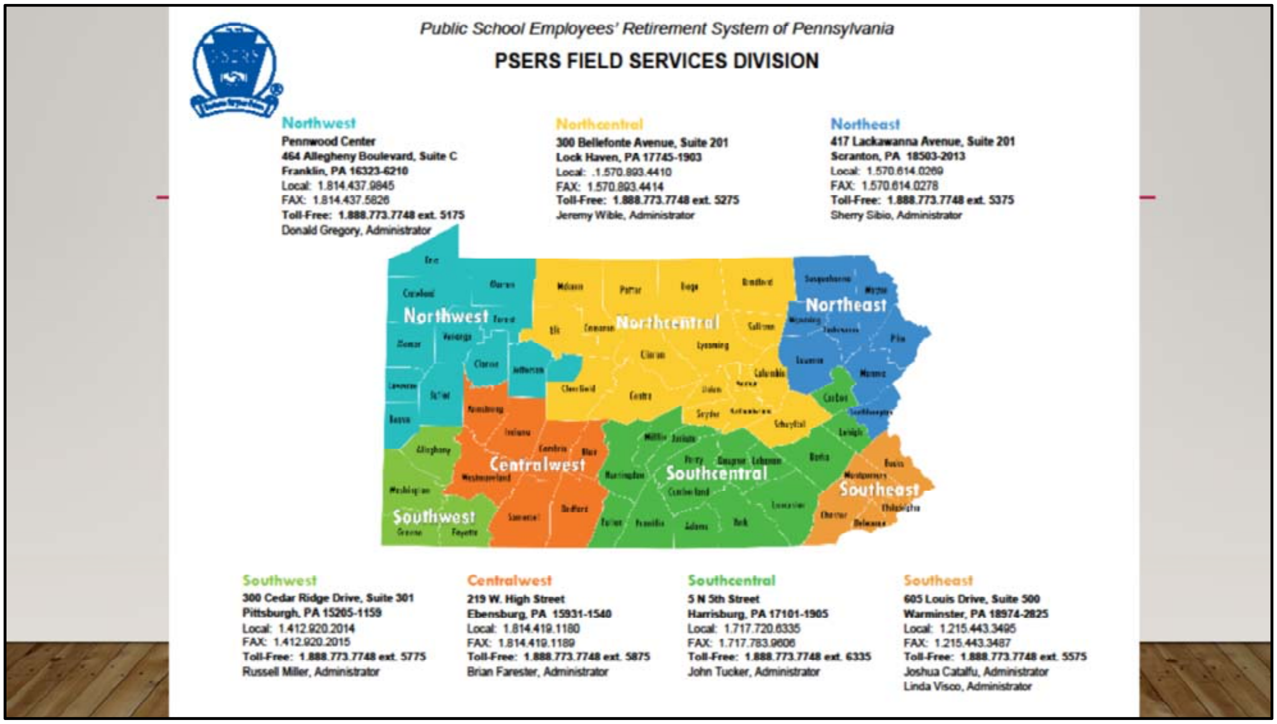
Details: Shows a snap shot of only overall work report totals. If you do not want to wait to pay the Member Contributions owed to PSERS until the next month when your work report will be posted to the Employer Statement, this snap shot not only displays your totals, but will provide you with the Transaction Number needed to make your payment through PNC Cash Concentration.

Edit will show detailed information of the work report including totals. This feature will also display any individuals with exception messages. Utilizing the sort features for the columns will enable you to do such things as moving the Contributions Column next to the Member Savings Column to compare what PSERS has charged the district in Member Contributions and what the Employer has withheld in Member Contributions. Discrepancies in withholding can be easily noted and identified in this way.

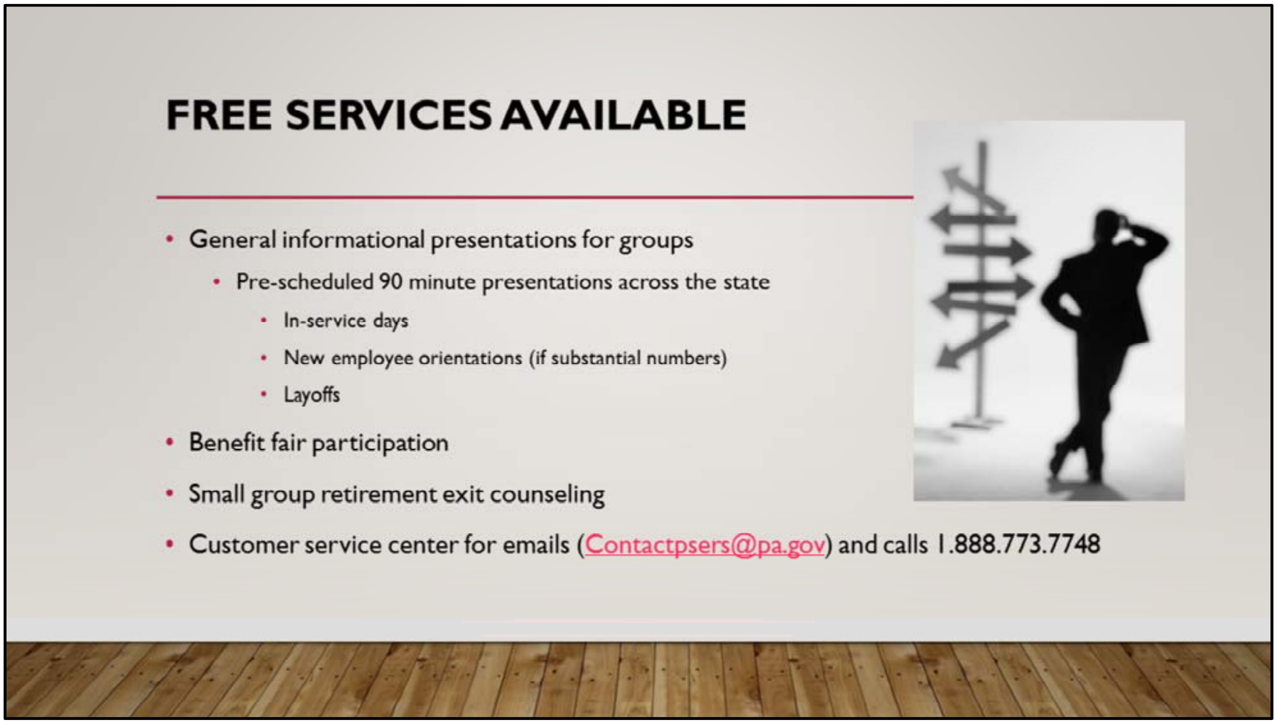
QUESTIONS?



Members have decisions to make throughout their career, some irrevocable. Saying that the rules regarding PSERS are complex would be a huge understatement and it is recognized that PSERS is just one small part of everything you are expected to do. You should not bear the burden of having to be an expert about PSERS. This is what we are here for. Plus, we have the added benefit of being able to see everything regarding your employee's history. It is not a disservice to your employee to pass them on to us for benefit questions, it is only a disservice to potentially not give accurate or complete information.



The county coverage areas for PSERS' regional offices are slightly different than those set up for ESC. The contact information for each office is available on the PSERS website, but I encourage you to keep a copy handy to be able to pass it on to your employees.



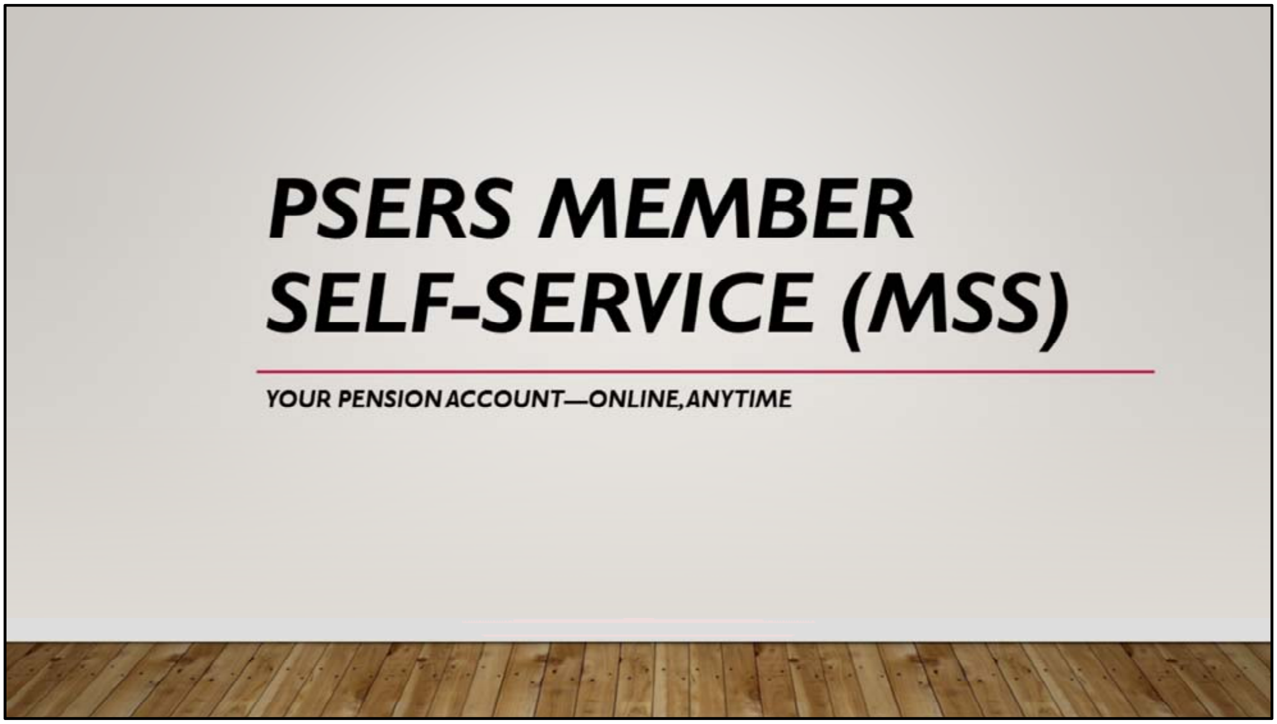
PSERS provides free educational programs throughout the Commonwealth to help members better understand their retirement account. These sessions provide a comprehensive overview of the retirement benefit, what members need to know about it and a review of the process leading up to retirement. A schedule is available on the PSERS website but you could print this out to have handy. If we are not conducting these in your school but you are interested in having us, please contact us in the field office.

In addition to these pre-scheduled presentations, they can be provided upon request for your in-service days, or if you have a substantial number of employees who are being hired or laid off due to outsourcing, such as bus drivers. Schedule permitting, PSERS is also episodically available to participate in benefit fairs.

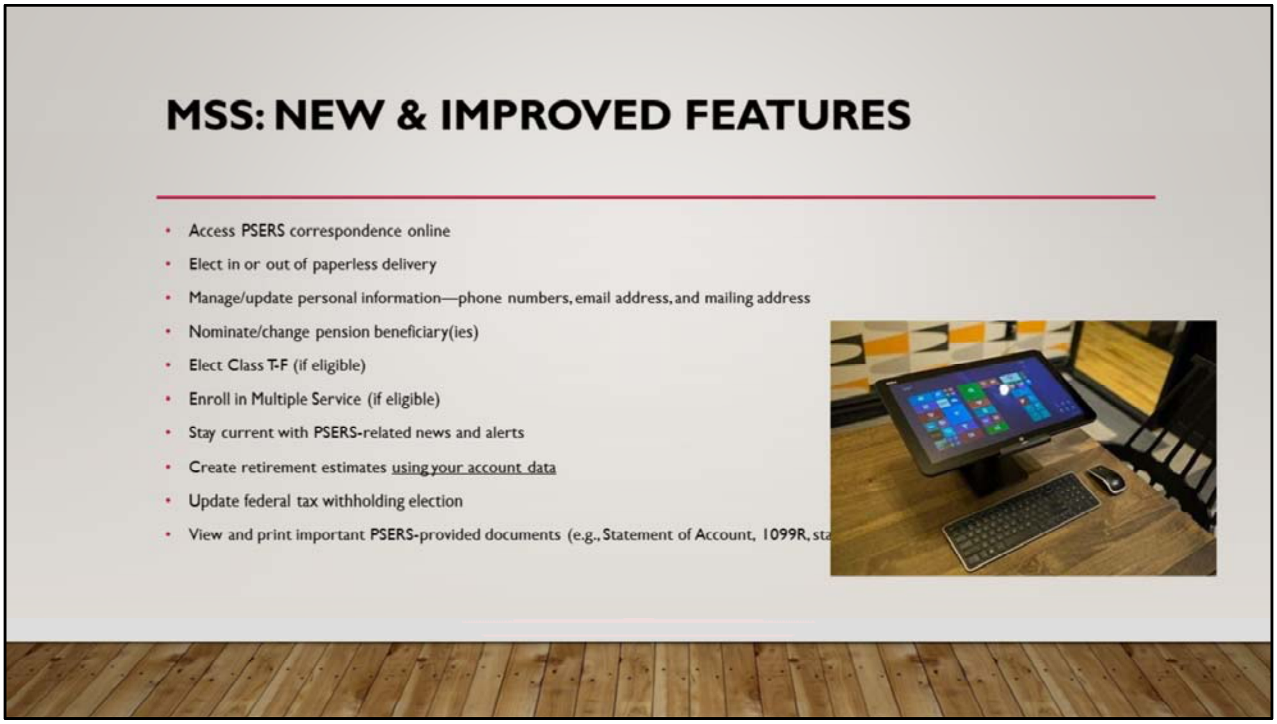
Retirement exit counseling is probably the most valuable benefit we provide to members. The retirement process is extremely complex so we provide small group counseling to help walk members through their retirement estimate and each decision that they will be required to make. We ask that you encourage all of your employees to attend one of these sessions prior to retiring.

You should not feel obligated to be able to answer PSERS related questions. The ***member*** call center is available 8 – 5 during the week or we can be reached by email as well. This is inclusive of questions regarding refunding their money or potentially waiving membership in PSERS.

Let us do the work of helping your employees with PSERS related questions.

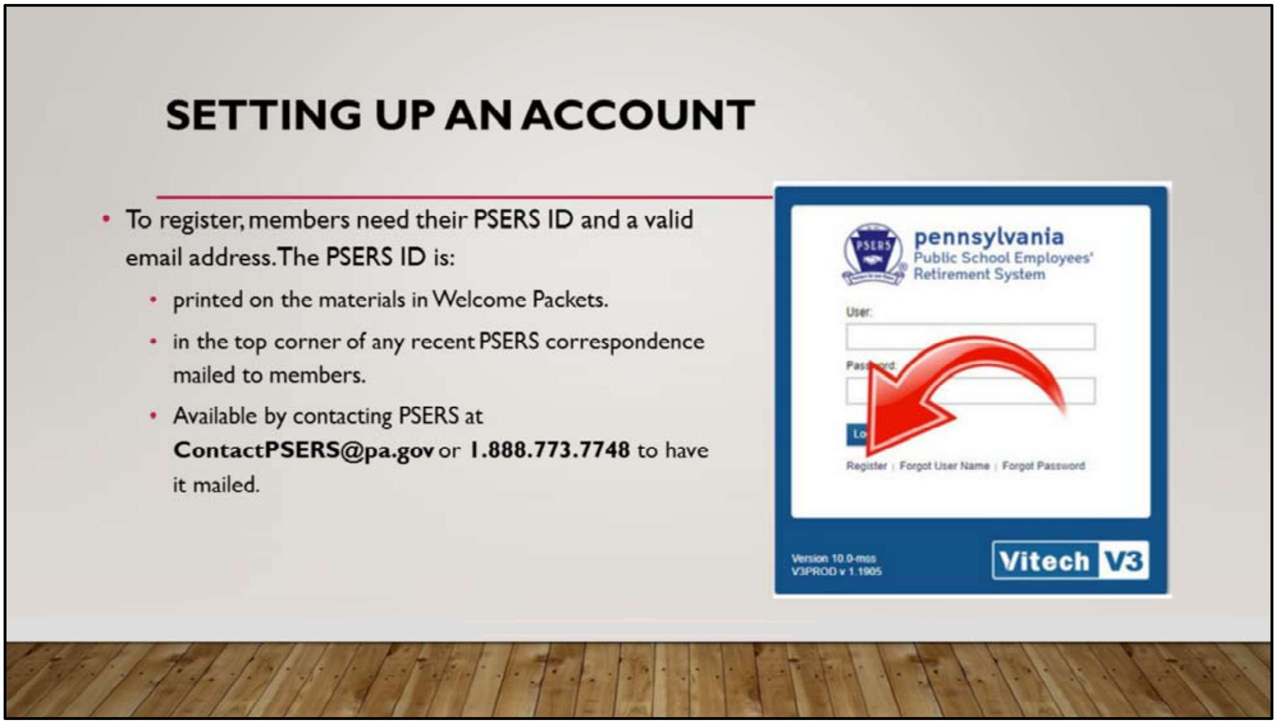


Which brings us to the new member self-service portal that PSERS has recently brought online. This provides an opportunity for members to get information and handle transactions for themselves. Ask who here has been in their member self-service account.

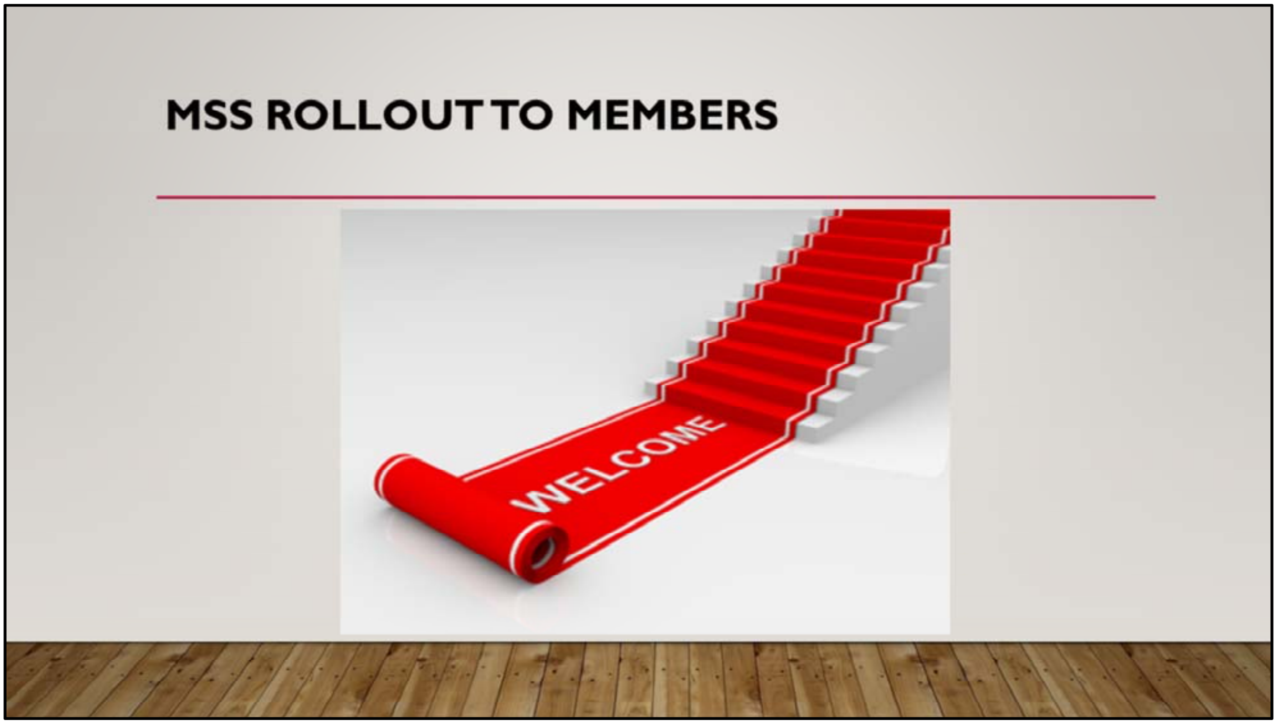


Here is a list of some of the actions members can do for themselves in the new MSS Portal. In addition to improving the member experience, the new MSS Portal will help PSERS reduce plan administration expenses. The new MSS Portal also means that PSERS will be able to deliver member communications through secure electronic communications, rather than home mailings. We anticipate that this new paperless communications option will help PSERS **save many millions of dollars**. Rather than review each of these bullets, I have a short video to play for you.

Play video



Setting up an account is easy. In addition to their date of birth and social security number, members need a valid email address and their PSERS ID. A PSERS ID is a unique number that has been assigned to each member. All new members or members who are qualifying for service after a break in membership will receive their PSERS ID as a part of their welcome packet. In addition, all correspondence from PSERS will now include this number instead of having a masked social security number at the top of it. It can also be obtained by contacting PSERS directly, but this should be unnecessary as PSERS will be conducting a series of mailings with this information.



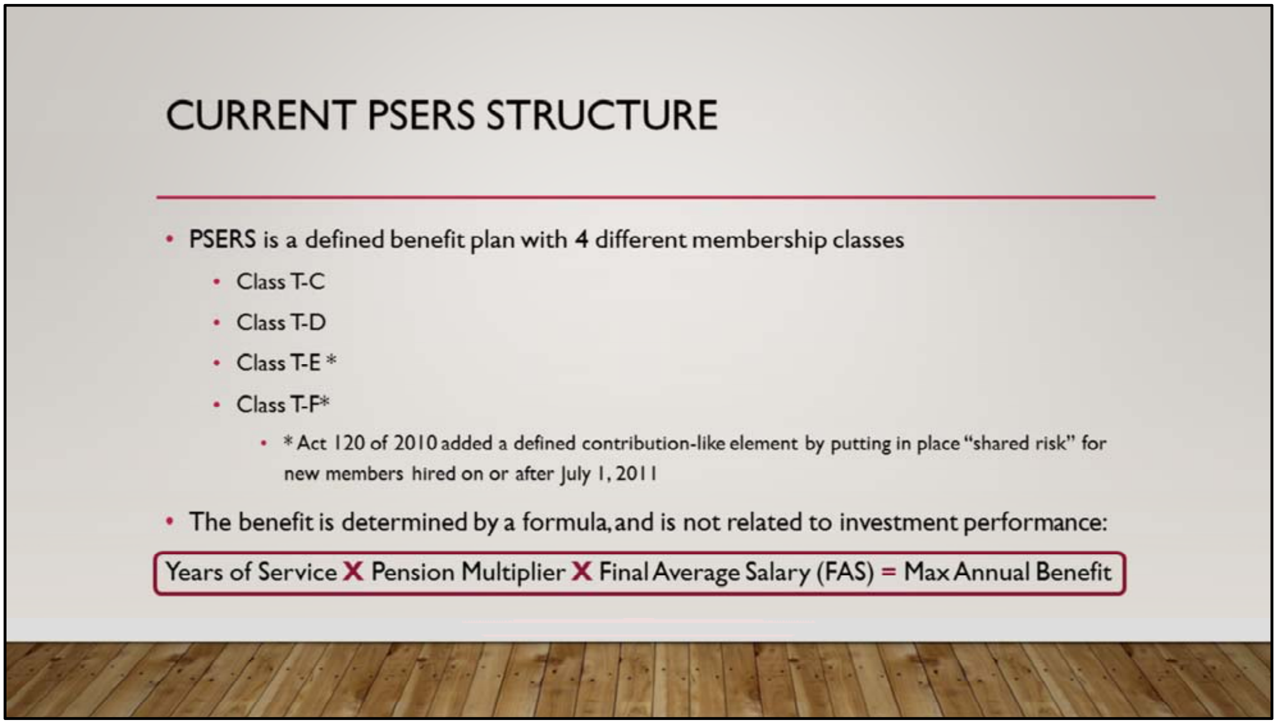
We did not advertise the MSS portal to all 500,000 members at once. That would be like turning on a firehose when all we wanted to do was water the lawn. We wanted to work through kinks and ensure staff expertise within the call center before doing that so we have rolled it out in stages.

First up, members who had an online account with PSERS and accessed it within the last two years were notified of their PSERS ID and this new application availability back in March. All members will get a mailing in June and this will include their PSERS ID.

QUESTIONS?

ACT 5 LEGISLATION

NEW MEMBERSHIP CLASSES EFFECTIVE JULY 1, 2019 FOR NEWLY HIRED MEMBERS



Remember with the shared risk aspect, the member's individual contribution rate can be impacted by investment performance, but the benefit they receive at the time of retirement is not impacted by investment performance.

ACT 5 OF 2017

- Governor signed this Act into law on June 12, 2017
- Affects new members as of July 1, 2019
- No impact on active Class T-C or T-D members
- No impact on retired members
- Minimal impact on Class T-E and T-F members
- Current members who are active on July 1, 2019 will have a one-time, irrevocable right to elect into any of the three new plans within 90 days of notice.

Members that already have an established PSERS membership class will continue with their membership class without change. For persons who left the system and return after the July 1, 2019 effective date, they will retain their previous membership class. We call this the “footprint” rule.

For example:
If your member was part of Class T-D in 2002, left the system, and returns to work in a PSERS’ school in 2020, that person would retain their T-D membership.

WHAT CHANGES ON JULY 1, 2019?

- PSERS continues to have legacy defined benefit plans with 4 membership classes AND now includes a hybrid plan with two new membership classes AND a separate defined contribution plan (401a).
- New membership classes:
  - **Class T-G** (Default plan)
  - **Class T-H** (Able to elect after membership in the system is established)
  - **DC participant** (Able to elect after membership in the system is established)

It is expected that a lot of members will likely take no action and as a result, end up in the default plan. Class T-G was set as the default since it provide the highest potential secure retirement benefit.

NEW TERMINOLOGY

Defined Benefit (DB)	Defined Contribution (DC)
• Member-referring to PSERS membership	• Participant-referred to an Individual Investment Account
• System	• Plan
• Fund	• Trust
• Service Credit	• Eligibility Point

PSERS will be working with a third party administrator, or TPA, to assist with training and handling contributions withheld and invested for the defined contribution plan. To be clear about which parts of the hybrid plan are being discussed, separate terminology is needed to distinguish one from the other.

You are familiar with the concept of service credit for your PSERS members. To receive a full service credit, members must reach 1100 hours or 180 days of service within a fiscal year.

An eligibility point will be granted to the participant for each fiscal year they contribute to the plan. A participant can contribute to the plan and render as little as one day of work in a fiscal year to receive their eligibility point for that year.

NEW MEMBERS HIRED JULY 1, 2019 OR AFTER

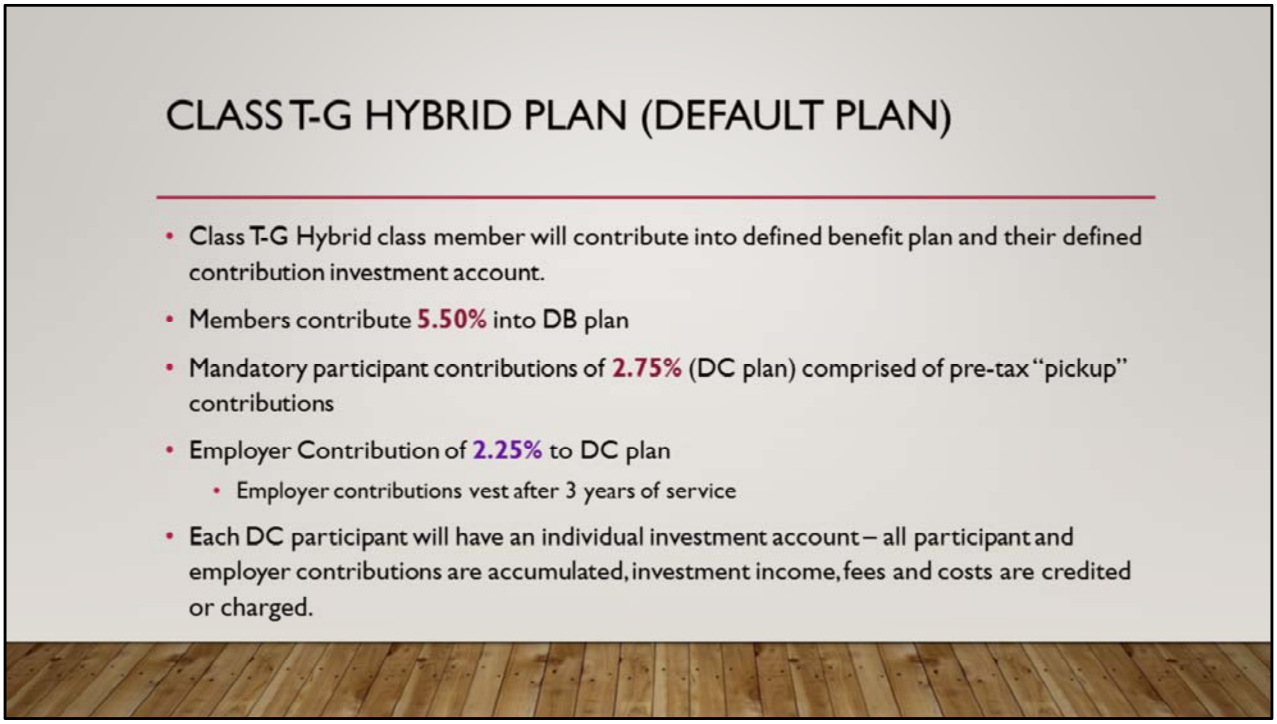
- New members will default into Class T-G (DB/DC hybrid plan)
- Upon reaching qualification and becoming a "member":
  - They may elect into Class T-H (DB/DC hybrid plan) OR,
  - They may elect into a DC only plan OR,
  - They may choose to stay in Class T-G
- If an employee has worked for you but qualifies after July 1, 2019, they may elect one of the new classes.
- Members who were not active on July 1, 2019 but return to work do not have the opportunity to make an election. These members will follow the footprint rule and retain the membership class they previously had.

New employees hired on or after July 1, 2019 will still need to follow qualification rules. FT employees and employees that are salaried are eligible for membership from day 1, while part-time employees must render 80 days or 500 hours of service in a fiscal year to reach qualification. Upon reaching qualification, employees will join Class T-G as the default plan.

New members hired on or after July 1, 2019 will have a choice to elect into Class T-H or the Defined Contribution (DC) only plan, or remain in Class T-G, which is the default option. This process is expected to be similar to how a member has a T-F election opportunity upon becoming a qualified T-E member now. Different than Classes T-E and T-F, the T-G and T-H membership classes are hybrid plans where contributions will be made by both the employee and employer to a defined benefit plan and a defined contribution plan. An employee must qualify in PSERS as a member to receive an election opportunity.

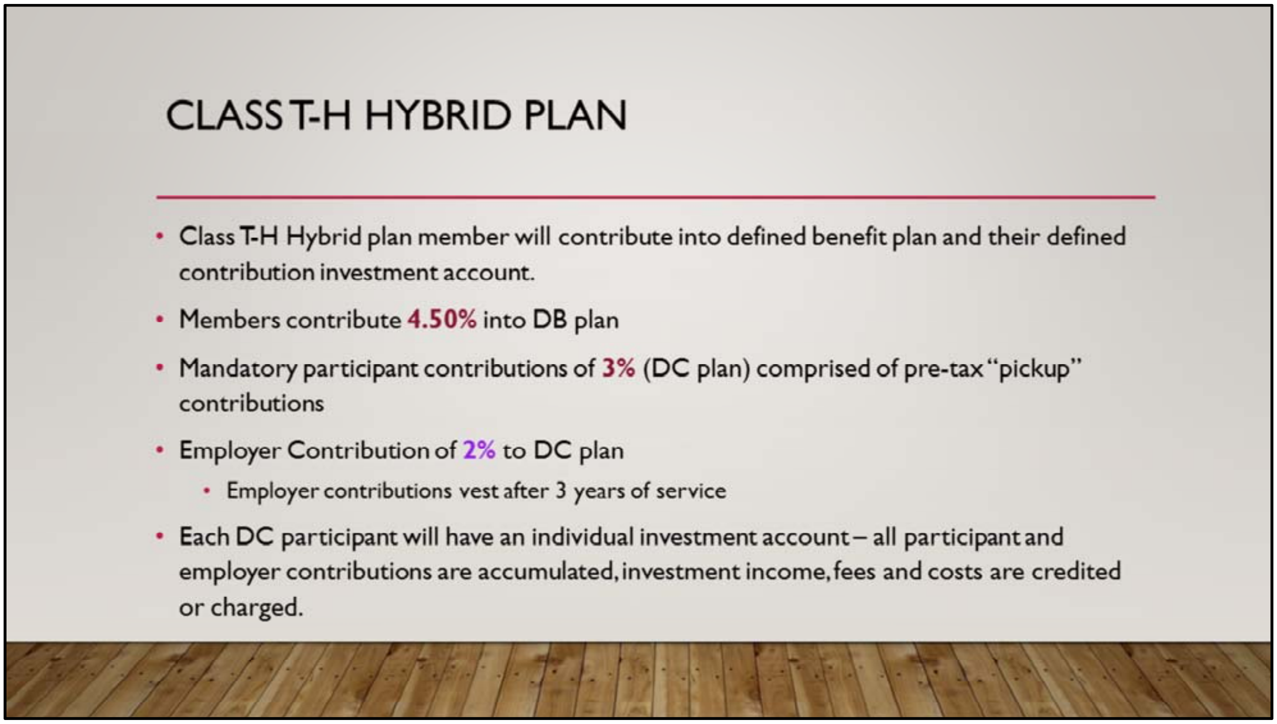
If you have an employee who has remained in a Non-Qualified status and finally qualifies after the July 1, 2019 date, they will have the opportunity to make an election.

If a member was not active on July 1, 2019, but returns at a later date they will not have an opportunity to elect into new classes. How the election process will work for existing members is still to be determined.



Class T-G members will contribute a percentage of their qualified retirement-covered salary to each plan. The overall contribution percentage for the member/participant is 8.25%.

While vesting for the defined benefit plan remains at 10 years similar to the T-E and T-F membership classes, it only takes 3 years to vest on the defined contribution side.

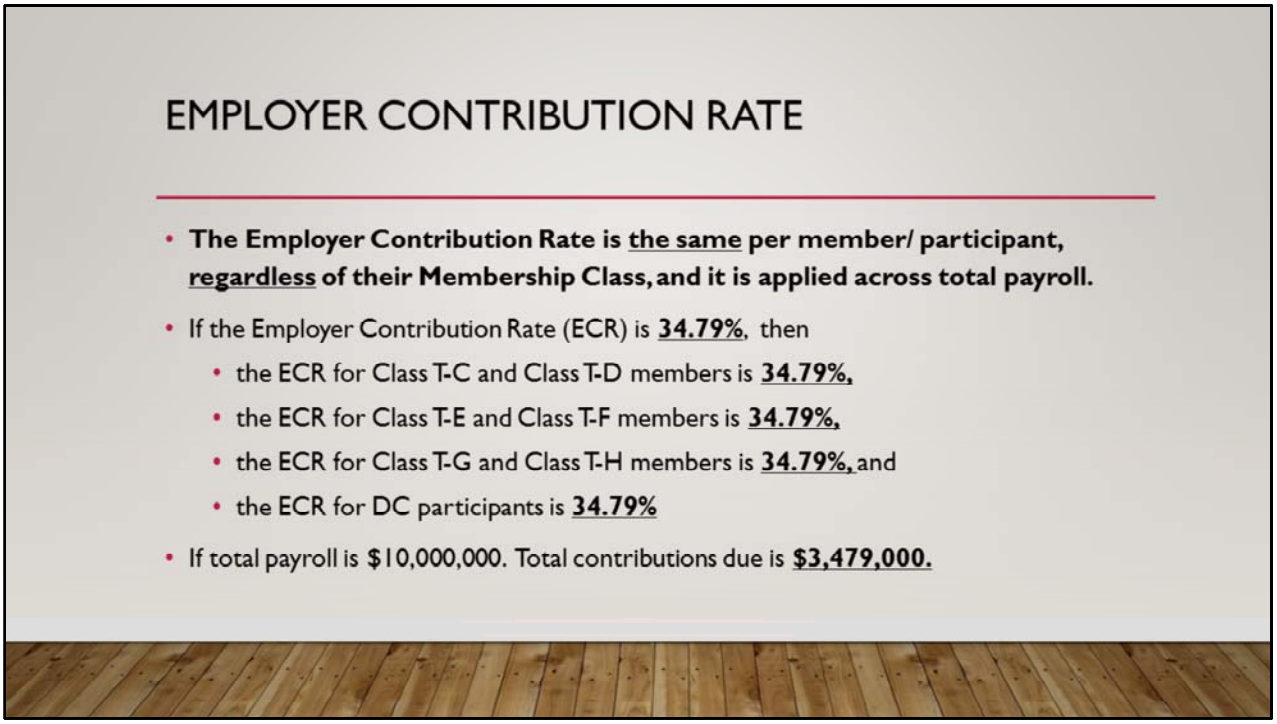


New members who elect Class T-H will actually contribute slightly less than those who remain in Class T-G. The combined contributions paid by the member/participant equals 7.5%.

The percentage that the employer contributes into the DC plan is slightly less with the Class T-H plan but the same three year vesting rule applies.

DC ONLY PLAN

- Employees who have reached PSERS qualification threshold may elect into the DC Only plan.
- Class DC participants earn one eligibility point for each fiscal year in which the participant contributes to the plan.
- Participants will contribute **7.5%.**
- The employer contribution is **2%.**
- Employer contributions vest after 3 years of service
- Although no contributions will be assigned to a PSERS DB component, the participants salary will still be part of the payroll assessed to determine the Employer Contribution Rate paid to PSERS.



The employer contribution rate will continue to be blended across all employers. The rate is set by taking into account what is needed to fund benefits currently being accrued, the previously created unfunded liability of the System and the required contributions for the DC plan. This cost will be determined by PSERS' actuary for one blended rate for all employers as a % based on total payroll.

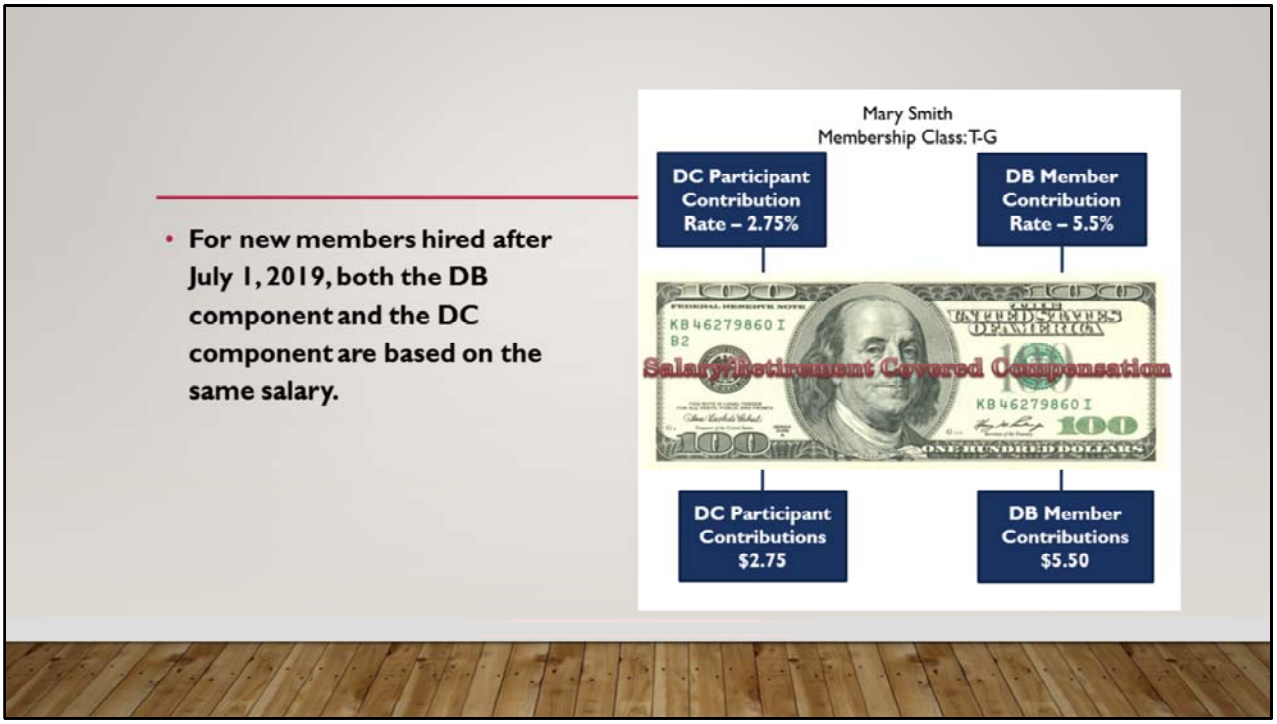
The Commonwealth reimburses the school employers based on the compensation reported to PSERS. Reimbursement is for the total Employer Contribution Rate. When schools are audited by the Auditor General and a discrepancy is found, this office notifies PSERS of any findings issued against a school employer for reporting non-retirement covered compensation.

In previous trainings we've discussed the term "compensation" and how this relates to certain payments being excluded from Retirement Covered Compensation.

What kinds of payments are excluded?

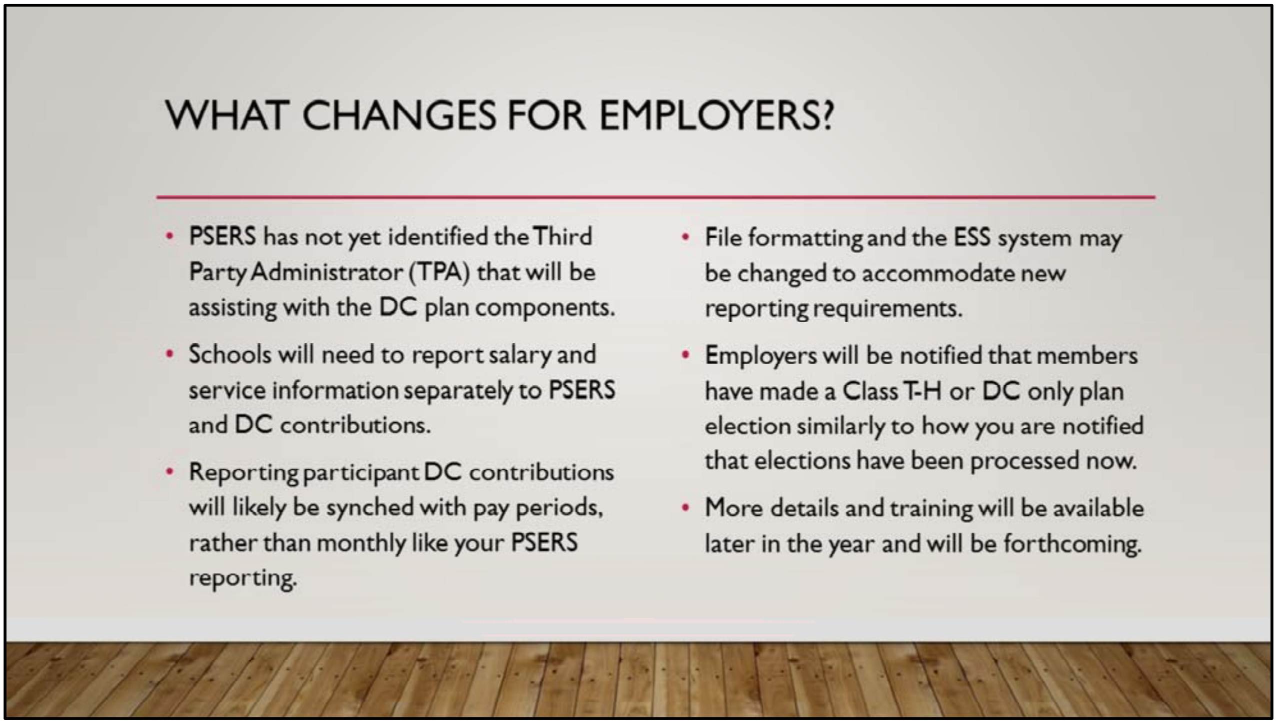
Compensation is all regular remuneration for school service rendered **excluding:**

1. Reimbursement for expenses incidental to employment
2. Bonuses
3. Longevity Payments
4. Payments for **Unused** Leave and **Unused** Compensatory Time
5. Cash payments made in lieu of benefits, i.e. health care
6. Severance payments
7. Payments not based on the standard salary schedule
8. Payments or reimbursements for attending seminars and conventions
9. Fringe benefits
10. Any payment made to enhance FAS



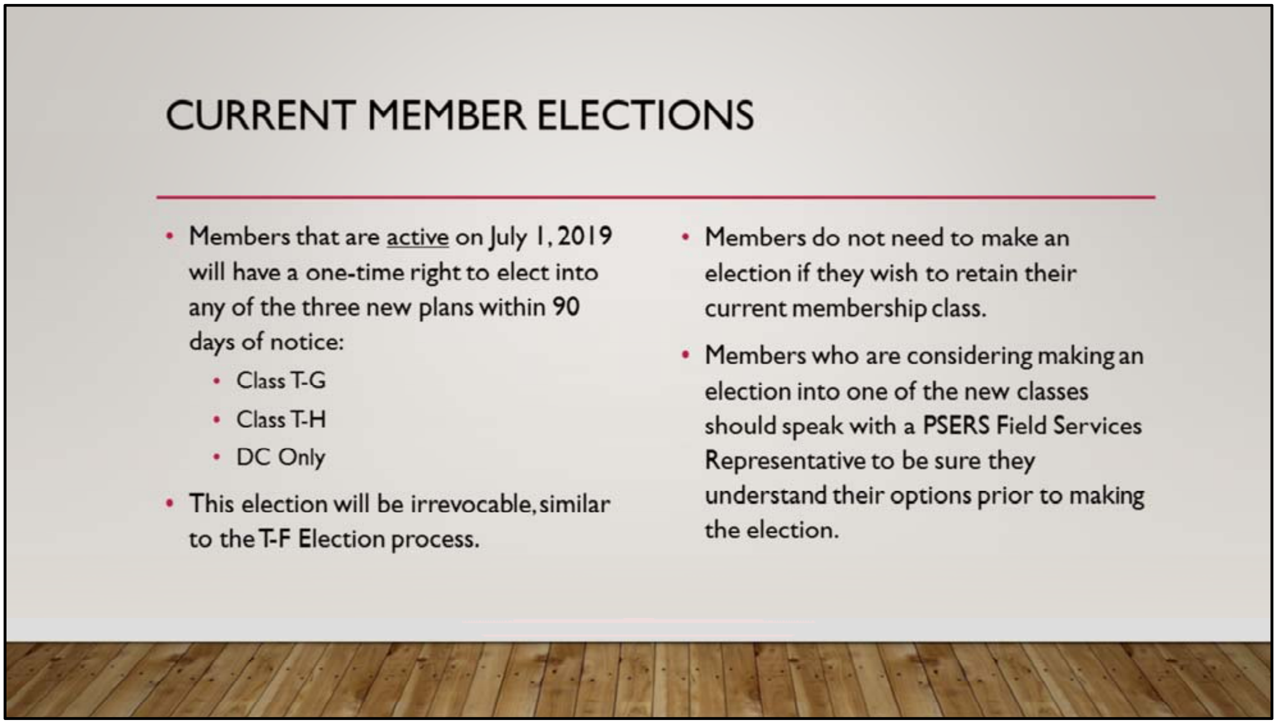
Only payments that are eligible as retirement covered-compensation should be reported to PSERS because you will be paying Employer Share Contributions on the entire amount of your payroll.

Refer to Chapter 8 of the Employer Reference Manual for more details about retirement covered-compensation.

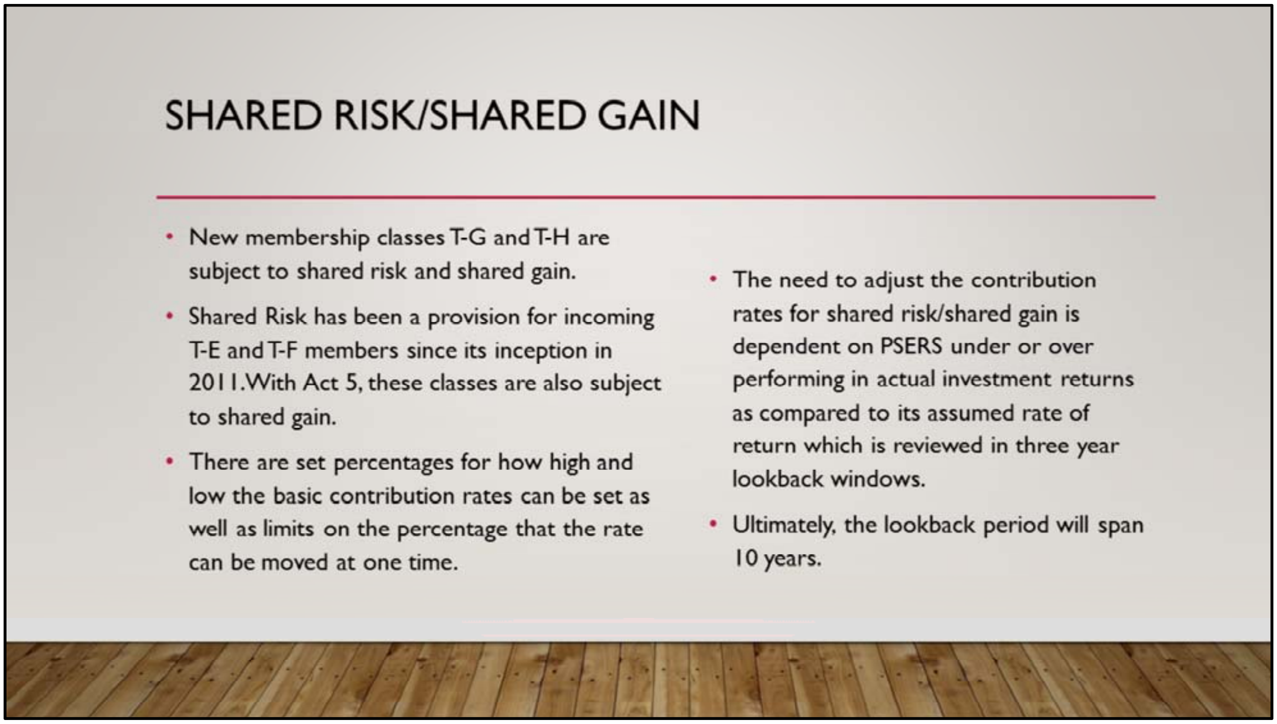


The goal for DC contributions is to have them invested as soon as possible after a school has received the money. As soon as more details are available in regards to changes in payroll software requirements and work reporting, we will be sure to share that information.

There are no purchases of service for the defined contribution plan outside of military (USERRA) purchases where a member will earn eligibility points.



While we know that PSERS intends to handle this election and not have this as a responsibility of employers, beyond that at this time the process for how this election will take place is undetermined.



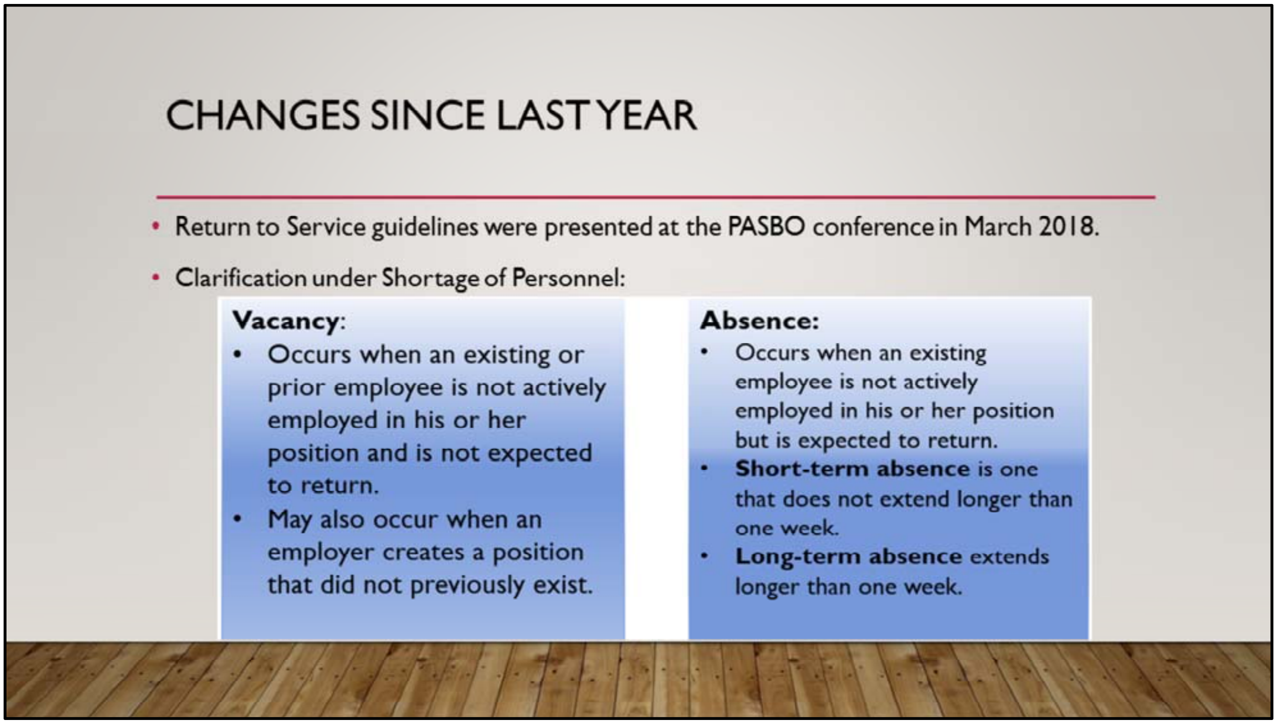
For Class T-E and T-F the contribution rate cannot increase or decrease more than 2% from the basic contribution rate of 7.5%. This means the rate can drop to 5.5% or rise as high as 10.5%. At a given time, the rate may only be moved .5% at a time.

For Class T-G and T-H, the contribution rate cannot increase or decrease more than 3% from the basic contribution rate. The percentage that this rate can change has also risen slightly to .75% at a time.

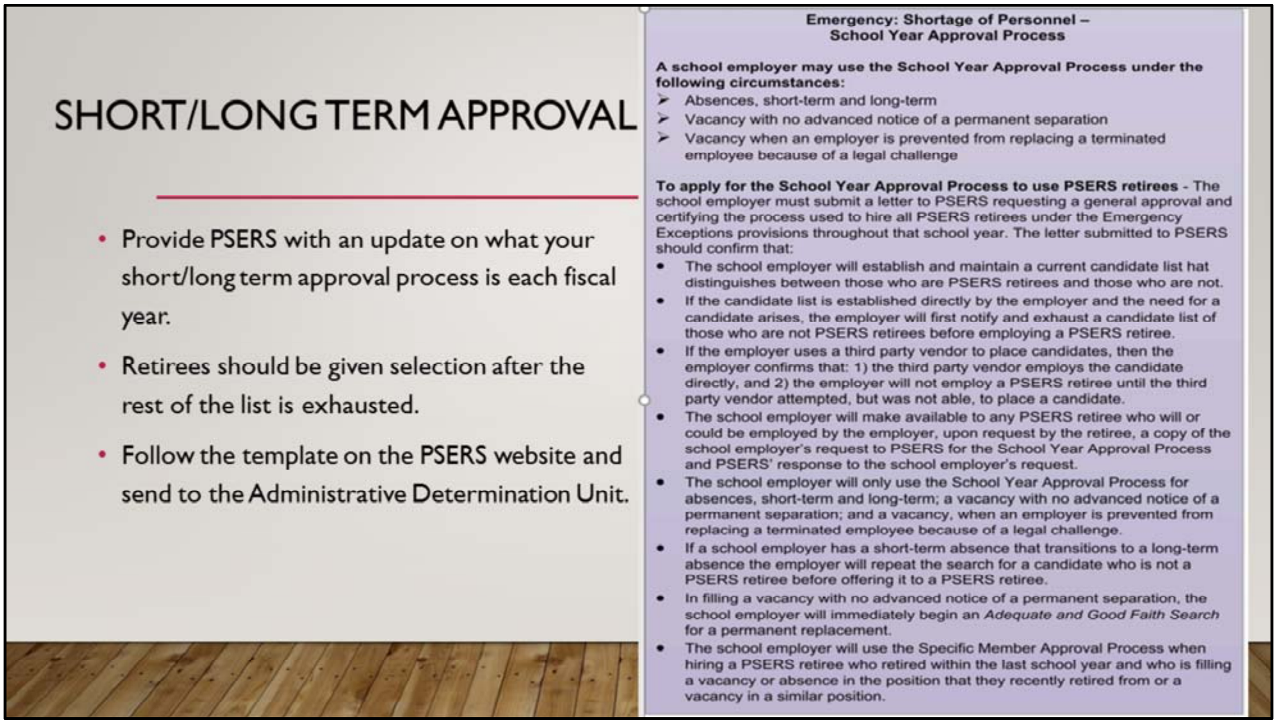
The lookback period and any future changes to contribution rates as a result of shared risk or shared gains will occur at the same time periods for all four membership classes.

Labeling members in your payroll system will be an important step in maintaining correct contribution rates, should the rate ever need to change due to PSERS not meeting the assumed rate of return.

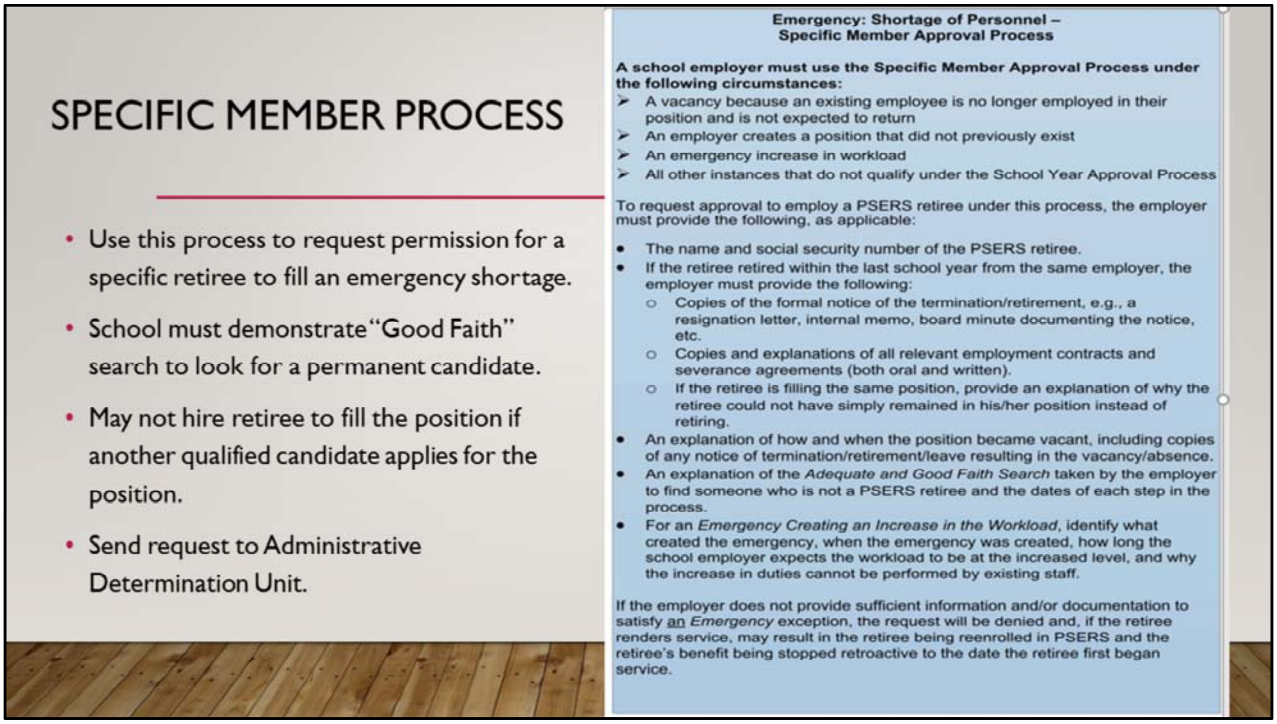
RETURN TO SERVICE GUIDELINES



Last year we provided a similar handout showing the Return to Service flowchart that provides guidance for determining if a member meets one of six Return to Service guidelines. On the back, the approval process for hiring retirees has been updated to clarify what PSERS needs to approve the process in which a district uses for a shortage of personnel in a broad sense and for a specific situation.



To be done each fiscal year:
The purple block explains the School Year Approval Process. This is where a school can submit a letter stating the school’s process for offering short or long term absences and vacant positions prior to offering to retirees. This letter should be provided to PSERS on a fiscal year basis and a template is available on the PSERS website to guide you through the information needed.



The blue block explains the Specific Member Approval Process. This would be used if the school is having a difficult time finding a qualified candidate and must use a specific retiree to fill the position. Example: The AP Physics teacher you recently hired suddenly resigns from the position. You post the position in search of a qualified candidate but no one with the correct certificate applies. You may use the specific member approval process to request your former AP Physics teacher to cover the position until a replacement is found.

A word of caution: Your recently retired employee cannot be your selected candidate if qualified candidates apply. You must exhaust all possible options prior to using a retiree.

QUESTIONS?