

Information for New School Employees

The Public School Employees' Retirement System (PSERS)

Toll-Free Information: 1.888.PSERS4U (1.888.773.7748)



PSERS Membership: PSERS is a Defined Benefit retirement plan, which means your retirement benefit is determined by a defined formula. PSERS' basic formula to calculate retirement benefits is based on a pension multiplier, your credited years of service, and your final average salary.

All full-time employees must become members of PSERS and must make retirement contributions. "Full-time," for retirement purposes, is defined as employees who work 5 or more hours a day, 5 days a week or its equivalent (25 or more hours a week), even if your employer considers you to be part-time.

Part-time salaried employees qualify for PSERS membership as of their first day of employment and must have retirement contributions withheld.

Part-time hourly and part-time per diem employees must meet minimum service requirements to qualify for PSERS membership (500 hours or 80 days). Once you meet membership requirements, subsequent service is qualified service unless there is a break in membership.

Employers may opt to withhold retirement contributions for part-time hourly and per diem employees beginning with the first day of employment. Once you meet PSERS membership eligibility requirements, your employer must withhold PSERS retirement contributions.

All part-time employees may waive membership in PSERS. To qualify for the waiver, the part-time employee must have an Individual Retirement Account and request a waiver within the first school year they qualify for PSERS membership. When you waive membership in PSERS, you forfeit all future rights to benefits for that waived school year.

NOTE: If you are currently a PSERS retiree, your monthly benefit will stop upon re-employment unless you are hired under emergency or extracurricular employment (the provisions of Act 2004-63).

Membership Class of Service: The law governing PSERS sets the terms of membership classes. Your membership class is determined by the date you become a member of PSERS and the class election you make.

For school employees who become new members of PSERS on or after July 1, 2011, there are two membership classes: Class T-E and Class T-F. New members automatically become Class T-E members, but have a one-time opportunity to elect Class T-F membership. PSERS will mail information and an election ballot to your home address. To elect Class T-F, you must return the ballot within 45 days of the date of notification.

If you previously were a Class T-C or Class T-D member, and had a 90-day or longer break in service, in your new period of employment you will be a Class T-D member.

Employee Contribution Rate: Employee Contribution rates are based on a member's date of hire and class of service and are set by law.

The contribution rate for Class T-E members is 7.50% (base) with "shared risk" provision that could cause the total contribution levels to fluctuate between 7.50% and 9.50%. The contribution rate for Class T-F members is 10.30% (base rate) with "shared risk" provision that could cause the total contribution levels to fluctuate between 10.30% and 12.30%. With a "shared risk" program, you benefit when investments of the fund perform well and share some of the risk when investments underperform. The employee contribution rate may not go below the base rate of 7.50% for Class T-E and 10.30% for Class T-F members.

The contribution rate is set at 7.50% for Class T-D members enrolled on or after July 1, 2001.

Contributions are not included as part of your gross income for federal tax purposes; they are federally tax-deferred.

Benefit Eligibility upon Termination of Employment - Class T-E and Class T-F:

Benefit	Requirement
Refund of Contributions and Interest	Under age 65 with fewer than 10 years of service
Disability Retirement	5 years of service and medical eligibility
Vesting (deferring retirement)	10 or more years of service
Early Retirement	10 or more years of service at any age
Normal Retirement (Superannuation)	Age 65 with 3 years of service; or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service.

Benefit Eligibility upon Termination of Employment - Class TD:

Benefit	Requirement
Refund of Contributions and Interest	Under age 62 with fewer than 5 years of service
Disability Retirement	5 years of service and medical eligibility
Vesting (deferring retirement)	5 or more years of service
Early Retirement	5 or more years of service
Normal Retirement (Superannuation)	35 years of service at any age; age 60 with 30 years of service; or age 62 with 1 year of service

See reverse for more information regarding PSERS.

PSERS Communications: When you become a new member of PSERS, PSERS will mail you a *Welcome Packet*. The *Welcome Packet* will include reference to an *Active Member Handbook*, a *Nomination of Beneficiaries* (PSRS-187) form, and an *Application for Multiple Service Membership* (PSRS-1259). You may print the handbook from the PSERS website (www.psers.state.pa.us) or call PSERS to request a copy of the handbook. If applicable, you will also receive a *Class T-F Election Packet*. If you are an active member of PSERS, you may be eligible to apply to purchase service credit. Certain types of service credit purchases have time restrictions. Please refer to the member handbook or PSERS website for additional details.

Naming a Beneficiary: After you are enrolled as a member of PSERS, you should designate a beneficiary(ies) to receive any benefits you have accrued if you die prior to retirement. You will receive a *Nomination of Beneficiaries* form (PSRS-187) with your *Welcome Packet* from PSERS. A new *Nomination of Beneficiaries* (PSRS-187) must be filed with PSERS anytime you change your beneficiary.

Multiple Service - 365 Day Election Deadline: If you have former service credited with the Pennsylvania State Employees' Retirement System (SERS) for work performed for the Commonwealth of Pennsylvania (for example, Department of Public Welfare, Labor & Industry, Transportation, etc.), you may elect multiple service, which combines state and school service. You will receive an election form with the PSERS *Welcome Packet*. **You have only 365 days from the date of your enrollment letter to make your multiple service election.**

Keeping Your Address Current: Throughout the year, PSERS sends you important publications and notifications pertaining to your retirement account. For you to receive this information, you must keep your address current. You should notify your employer whenever your name and/or address changes.

Contacting PSERS: If you have any questions, please contact the PSERS Member Service Center by calling toll-free, 1.888.773.7748 (1.888.PSERS4U). Harrisburg local callers, please use 717.787.8540. The Member Service Center is staffed each business day from 8:00 a.m. to 5:00 p.m.

To contact PSERS by email, use the following address: ContactPSERS@pa.gov.

For your convenience, PSERS also has eight regional field offices to serve you. For more general information or to find the regional office serving your area, you may visit PSERS online at: www.psers.state.pa.us.

The information contained in this document is only for general reference.

PSERS recommends that you review all documents that will be forthcoming from PSERS.

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This document is designed solely to provide an overview of benefits available to PSERS members and is not intended to be a substitute.