

Employer Service Center Staff

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Uploading Demographic Records

Because the Voya reporting files are due per pay cycle, timing for uploading member demographic information to PSERS matters now more than ever. To ensure prompt notification to Voya of a participant record, you must submit the member demographic information and the contract record to PSERS by the employee's start date. Without this information, PSERS cannot notify Voya of a new participant, which will result in Voya rejecting that employee from your Voya payroll file if you attempt to report that employee to Voya. All employees must be reported to PSERS.

Also, an email address is now required in the Employer Provided Email field when entering member demographic information for new hires. A personal email address is preferred. If the member does not have email, please contact your ESC representative.

PSERS will notify you if an employee elects a membership class that changes his or her DB and DC contribution rate. Upon notification, you must change the contribution rate in your payroll system so that the new rate will be effective in the next pay period after you are notified of the class change.

Unlike a work report, which may only be uploaded once a month, Demographic and Contract files may be uploaded as soon as the information is available. If you are a district that has many new hires throughout the month, uploading more than one file per month may be easier than adding new demographic and contract information manually.

Retirement-Covered Compensation

The compensation received by a PSERS member, regardless of membership class, for school service has a significant impact to the member's retirement benefit because the member's pension is based on a fixed formula that includes the member's final average salary. Although a school board retains full discretion in negotiating the compensation package for its employees, such compensation package may include payments that do not qualify as Retirement-Covered Compensation (RCC) as defined in the Retirement Code, otherwise known as Non-Retirement-Covered Compensation (NRCC).

You must follow retirement-covered compensation rules regardless of your employee's membership class. This includes Class DC.

Why is this Important?

1. Compensation is a primary factor in determining member and employer contributions.
2. Compensation is a primary factor used in calculating a member's final average salary (FAS).
3. For new members hired after July 1, 2019, contributions for both the defined benefit and the defined contribution components are based on the same salary.
4. The Employer Contribution Rate (ECR) includes a blended defined contribution rate and is, therefore, the same per member (defined benefit)/ per participant (defined contribution), regardless of membership class, and the full ECR must be applied across total payroll.
5. The Commonwealth reimburses school employers based on the compensation reported to PSERS for all employees, regardless of membership class, and the total ECR.
6. The Auditor General notifies PSERS of any findings issued against a school employer for reporting NRCC to PSERS.
7. The Retirement Code strictly defines "compensation" and identifies certain payments to be excluded. Compensation is all regular remuneration for school service rendered excluding:
 - Reimbursement for expenses incidental to employment
 - Bonuses
 - Longevity Payments, unless added to base salary for the following year
 - Payments for Unused Leave, Unused Compensatory Time, and Optional Days
 - Cash payments made in lieu of benefits, i.e. health care
 - Severance payments
 - Payments not based on the standard salary schedule
 - Payments or reimbursements for attending seminars and conventions
 - Fringe benefits
 - Any payment made to enhance FAS

RCC is not determined by what an employer or an employment agreement identifies as compensation or the intent of the parties.

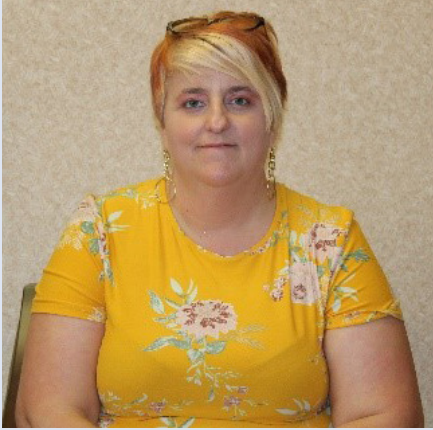
Introducing Your New ESC Representative



PSERS is pleased to introduce Michelle Doman as the new Employer Service Center Representative for Region 1. Michelle was a Retirement Representative in PSERS Southeast Regional Office before joining ESC. She received Bachelor's in Elementary Education from West Chester University and taught for 4.5 years prior to joining PSERS. As the ESC Representative for Region 1 she looks forward to problem solving and providing education to employers. Michelle has two young sons and is an avid sports fan. She also enjoys trips to the beach, going to amusement parks, trying new cooking recipes, and baking.

Her advice for employers: Change can be scary and hard, but don't let that stop you from learning and growing. "You may not be able to control every situation and its outcome, but you can control your attitude and how you deal with it"- unknown

Introducing Your New ESC Representative



PSERS is pleased to introduce Rachael Riddle as the new Employer Service Center Representative for Region 5. She has a Bachelor's in Business Administration from Elizabethtown College and was a caseworker with the Pennsylvania Department of Human Services for five years before joining PSERS. Rachael is a proud mother of three adult sons and a grandmother to six. In her spare time, she enjoys traveling the world—her most recent trip was to Rome! She also loves making memories with her friends and family. As the new ESC Representative for Region 5 she looks forward to building relationships with her school districts and learning together.

Her advice for employers: Try not to get overwhelmed with change.

Updating Mailing Addresses

PSERS sends your employees time-sensitive information that may require them to take action. Please contact your employee for a correct address and update the employee's record when you receive a notice that an address may be invalid.

Your employees may also update their own addresses through PSERS Member Self-Service (MSS) Portal. Employees who register for the MSS Portal are automatically enrolled in Paperless Delivery. This means that those employees will receive their time-sensitive documents through the MSS Portal.

Act 5 Current Member Election Update

PSERS will be sending active PSERS members a newsletter late August which will include information regarding the one-time option for current active members to elect into the new membership classes created by Act 5. Everything your employees will need to know regarding this option will be included within the August newsletter.

New to ESS!

The contribution rate and qualification status are now displayed on the banner to help identify if withholding contributions is optional or required for part-time employees.

Member Contract			
Change			
Employer:	9000-ESC TRAINING INSTITUTE	Withhold:	Required
SSN:	435-01-0009	Current Class:	TG
Name:	YELLOW, JANE	DB Contrib Rate:	5.5 %
		DC Contrib Rate:	2.75 %
		DC Employer Share:	2.25 %
		After Tax Def%:	0 %

Fraud, Waste, and Abuse Reporting

Fraud, waste or abuse (FWA) hurts PSERS, its members, retirees, beneficiaries, and ultimately the taxpayer. PSERS is proactive in combating FWA by providing various ways for those with information to report suspected FWA affecting PSERS. The following are helpful tips for reporting FWA.

How do I report FWA to PSERS?

An FWA can be reported by filing a complaint form, which can be submitted:

- Electronically
- Mail to: Internal Audit Office, PSERS, 5 North 5th Street, Harrisburg, PA 17101-1905
- By calling (888) 222-0549 or Local phone number (717) 720-4602.

What types of incidents should be reported?

An illustrative list of FWA acts that should be reported is presented below. This list is not comprehensive and is provided only as an example of the FWA acts that should be reported.

- Intentionally falsifying retirement information.
- Falsely claiming a disability retirement.
- Continuing to receive retirement benefits of a deceased member.
- Any intentional deceptive practice designed to improperly inflate a member's pension benefit.
- Contractual agreements or other agreements intended to inflate a member's salary prior to retirement.
- Mischaracterization of non-regular compensation as base salary.
- Salary giveback schemes intended to inflate earnings for pension calculation purposes.
- Intentional misreporting of service credit.
- Improper enrollment of consultants or independent contractors (e.g., school solicitor) as members for service credit purposes.
- Earnings after retirement abuses.
- Improper school district approval of a prior service credit request.
- Intentionally taking any action that results in a benefit, advantage, or outcome to which the recipient is not entitled, such as circumventing established procedures or policy to meet targets resulting in increased incentive compensation, or intentionally misrepresenting performance data to another PSERS employee or agent, to the PSERS Board of Trustees, or externally.
- More information available at psers.pa.gov/Fraud-Reporting/Pages/default.aspx.

What type of information should I report to help PSERS conduct a thorough investigation?

The following information would be helpful:

- Who was/is involved?
- What type of activity was/is taking place?
- When did the activity or incident take place? Is it still occurring?
- Where was/is the activity taking place?
- Why was/is the activity being done?
- How was/is the activity being carried out? (Please describe the activity in as much detail as you can provide.)
- Records, files or documentation supporting the allegation.
- How to contact you if we have additional questions.

Can I file a report anonymously?

Yes. You may choose not to identify yourself when filing a complaint. If you submit an anonymous complaint, it may be more difficult to investigate and prove the allegations. If you choose to identify yourself, PSERS will make every attempt to maintain your confidentiality. In some cases, however, PSERS may be required to turn over information to the appropriate authorities, such as law enforcement.

Who may report?

Anyone with knowledge of any wrongdoing concerning PSERS may file a report, including but not limited to, PSERS employees, Board members and their designees, members, relatives of members, teachers and other school employees, vendors, contractors, consultants, investment managers, and citizens.